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83d Congress, 2d Session - - - - - - - - - House Document No. 83–509, Vol. XII
84th Congress, 1st Session - - - - - - - - - House Document No. 84–235, Vol. XII

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1952–1954

Volume XII

East Asia and the Pacific

(in two parts)

Part 1

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PREFACE

The publication *Foreign Relations of the United States* constitutes the official record of the foreign policy of the United States. The volumes in the series include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions of the United States together with appropriate materials concerning the facts which contributed to the formulation of policies. Documents in the files of the Department of State are supplemented by papers from other Government agencies involved in the formulation of foreign policy.

The basic documentary diplomatic record printed in the volumes of the series *Foreign Relations of the United States* is edited by the Office of the Historian, Bureau of Public Affairs, Department of State. The editing is guided by the principles of historical objectivity and in accordance with the following official guidance first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925.

There may be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing may be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

> *a.* To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
>
> *b.* To condense the record and avoid repetition of needless details.
>
> *c.* To preserve the confidence reposed in the Department by individuals and by foreign governments.
>
> *d.* To avoid giving needless offense to other nationalities or individuals.
>
> *e.* To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternative presented to the Department before the decision was made.

Documents selected for publication in the *Foreign Relations* volumes are referred to the Department of State Classification/Declassification Center for declassification clearance. The Center reviews the documents, makes declassification decisions, and obtains the clearance of geographic and functional bureaus of the Department of State, as well as of other appropriate agencies of the government. The Center, in coordination with the geographic bureaus of the Department of State, conducts communications with foreign governments regarding documents or information of those governments proposed for inclusion in *Foreign Relations* volumes.

David W. Mabon compiled Part 1 of this volume under the supervision of John P. Glennon. Louis J. Smith assisted in declassification, and Mr. Mabon in final editing. Margaret Roman prepared the list of abbreviations and Rosa Pace the list of sources.

Until his retirement in 1979, Deputy Historian Fredrick Aandahl directed the entire *Foreign Relations* project, including the preparation of this volume.

Rita M. Baker and Charlotte Shahin performed technical editing under the supervision of Margie R. Wilber in the Publishing Services Division (Paul M. Washington, Chief). The Twin Oaks Indexing Collective prepared the index.

WILLIAM Z. SLANY
The Historian
Bureau of Public Affairs

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Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1949–1955, as maintained by the Executive Secretariat.

Conference Files, Lot 60 D 627

Collection of documentation on official visits by heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1953–1958, as maintained by the Executive Secretariat. This file is a continuation of Lot 59 D 95.

CFM Files, Lot M-88

Consolidated master collection of the records of conferences of Heads of State, the Council of Foreign Ministers and ancillary bodies, the North Atlantic Council, other meetings of the Secretary of State with the Foreign Ministers of European powers, and materials on the Austrian and German peace settlements for the years 1943–1955, prepared by the Department of State Records Service Center.

FE Files, Lot 55 D 388

Files maintained by the Bureau of Far Eastern Affairs for the year 1953.

FE Files, Lot 55 D 480

Files maintained by the Bureau of Far Eastern Affairs for the year 1954.

OCB Files, Lot 62 D 430

Master files of the Operations Coordinating Board for the years 1953–1960, as maintained by the Executive Secretariat.

PPS Files, Lot 64 D 563

Master file of documents, drafts, records of meetings, memoranda, and related correspondence for the years 1947–1953 of the Policy Planning Staff.

PPS Files, Lot 65 D 101

Master file of documents, drafts, records of meetings, memoranda, and related correspondence for the year 1954 of the Policy Planning Staff.

PSA Files, Lot 58 D 207

Certain files of the Office of Philippine and Southeast Asian Affairs for the years 1949–1955, containing primarily material on Indochina.

Secretary's Memoranda, Lot 53 D 444

Chronological collections of the Secretary of State's memoranda, memoranda of conversation, and memoranda of conversation with the President for the years 1947-1953, as maintained by the Executive Secretariat.

Secretary's Memoranda of Conversation, Lot 64 D 199

Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953-1960, as maintained by the Executive Secretariat.

Secretary's Memoranda of Conversation, Lot 65 D 238

Chronological collections of the Secretary of State's memoranda of conversation with the President for the years 1949-1952, memoranda of the Secretary of State and Under Secretary of State for the years 1951-1952, and the Secretary of State's memoranda of conversation with Senator Tom Connally of Texas for the years 1950-1951, as maintained by the Executive Secretariat.

Secretary's Staff Meetings, Lot 63 D 75

Chronological collections of the minutes of the Secretary of State's staff meetings during the years 1952-1960, as maintained by the Executive Secretariat.

S/P-NSC Files, Lot 61 D 167

Serial file of memoranda relating to National Security Council questions for the years 1950-1961, as maintained by the Policy Planning Staff.

S/P-NSC Files, Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948-1961, as maintained by the Policy Planning Staff.

S/S-NSC (Miscellaneous) Files, Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including NSC Records of Action, as maintained by the Executive Secretariat for the years 1947-1963.

S/S-NSC Files, Lot 63 D 351

Serial master file of National Security Council Documents and correspondence and related Department of State memoranda for the years 1947-1961, as maintained by the Executive Secretariat.

State-JCS Meetings, Lot 61 D 417

Top secret records of meetings between the Joint Chiefs of Staff and representatives of the Department of State for the period 1951-1959 and selected problem files on the Middle East for the period 1954-1956, as maintained by the Executive Secretariat.

U/MSA Files, Lot 56 D 551

Subject files of the Special Assistant for Mutual Security Affairs, 1954-1956.

U/MSA Files, Lot 57 D 567

Files of the Special Assistant for Mutual Security Affairs, 1952-1957.

Department of Defense

JCS Files

Documents obtained upon request from the Secretariat of the Joint Chiefs of Staff.

Dwight D. Eisenhower Library, Abilene, Kansas

Dulles Papers

Records of John Foster Dulles, 1952-1959.

James C. Hagerty Papers

Papers of James C. Hagerty, Press Secretary to President Eisenhower, for the years 1953-1961.

White House Office Files

Several White House office collections, including files of the Office of the Staff Secretary, and Project "Clean Up."

Whitman File

Papers of Dwight D. Eisenhower as President of the United States, 1953-1961, maintained by his personal secretary, Ann C. Whitman. The Whitman File includes the following elements: the Name Series, the Dulles-Herter Series, Eisenhower Diaries, Ann Whitman (ACW) Diaries, National Security Council Records, Miscellaneous Records, Cabinet Papers, Legislative Meetings, International Meetings, the Administration Series, and the International File.

National Archives, Washington, D.C.

JCS Records

National Archives Record Group 218, Records of the United States Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff.

Princeton University Library, Princeton, New Jersey

Dulles Papers, Daily Appointments

Daily log of the meetings and appointments of Secretary of State John Foster Dulles for the years 1953-1959.

Harry S. Truman Library, Independence, Missouri

Truman Papers, President's Secretary's File (PSF)

Papers of Harry S. Truman as President, 1945-1953, maintained by his personal secretary.

LIST OF ABBREVIATIONS AND SYMBOLS

EDITOR'S NOTE—This list does not include standard abbreviations in common usage; unusual abbreviations of rare occurrence which are clarified at appropriate points; and those abbreviations and contractions which, although uncommon, are understandable from the context.

AA, anti-aircraft
AAA, anti-aircraft artillery
AC&W, aircraft and warning
ACSP, Asian Collective Security Pact
AFP, Armed Forces of the Philippines
ANZAM, Australia-New Zealand-and-Malaya
ANZUS, Australia, New Zealand, United States
AOP, aerial observation
AP, Associated Press
AV/AVP, seaplane tender/small seaplane tender
BNA, Office of British Commonwealth and Northern European Affairs, Department of State
C, Office of the Counselor of the Department of State
C/S, Chief of Staff
CA/CL, heavy cruiser/light cruiser
CAT, Civil Air Transport
CCAF, Chinese Communist Air Force
CEV MC, Churchill-Eden Visit, Memorandum of Conversation
CF, Conference File
CFM, Council of Foreign Ministers
Chi, Chinese
Chi Commie(s), Chinese Communist(s)
Chinats, Chinese Nationalists
CHINCOM, China Committee, a permanent working group of the Paris Consultative Group of nations working to control export of strategic goods to Communist countries
CIA, Central Intelligence Agency
CIGS, Chief of the Imperial General Staff
CINCFE, Commander in Chief, Far East
CINCPAC, Commander in Chief, Pacific
CINCPACFLT, Commander in Chief, U.S. Pacific Fleet
CINCUNC, Commander in Chief, United Nations Command
COCOM, Coordinating Committee of the Paris Consultative Group of nations working to control export of strategic goods to Communist countries
CRIK, Civilian Relief in Korea
CRO, Commonwealth Relations Office (United Kingdom)
CVA, attack aircraft carrier
CVS/CVL/CVE, anti-submarine warfare support aircraft carrier/small aircraft carrier/escort aircraft carrier
DD/DDR/DDE, destroyer/radar picket destroyer/escort destroyer
del, delegation
Depcirtel, Department of State circular telegram
Deptel, Department telegram
DTG, Date Time Group
Dulte, primarily a series indicator for telegrams from Secretary of State Dulles while absent from Washington; also used as series indicator for telegrams to him from the head of the United States Delegation at an international conference
E, Bureau of Economic Affairs, Department of State
ECA, Economic Cooperation Administration
ECAFE, Economic Commission for Asia and the Far East
EDC, European Defense Community
Embdes, Embassy despatch
Embtel, Embassy telegram
EUR, Bureau of European Affairs, Department of State
FA, field artillery
FE, Bureau of Far Eastern Affairs, Department of State

FE/P, Officer in Charge of Public Affairs, Bureau of Far Eastern Affairs, Department of State
FOA, Foreign Operations Administration
FOA/W, headquarters of the Foreign Operations Administration in Washington
FonMin, Foreign Minister
FY, fiscal year
FPT, French political talks; series indicator for documentation related to discussions with René Mayer, Premier of France, at Washington, in March 1953
FYI, for your information
G, Office of the Deputy Under Secretary of State
G-2, Army general staff section dealing with intelligence at the divisional or higher level
G-3, Army general staff section dealing with operations and training at the divisional or higher level
GA, General Assembly of the United Nations
GARIOA, Government and Relief in Occupied Areas
GATT, General Agreement on Tariffs and Trade
GOC, Government of Ceylon
GOI, Government of India
GOP, Government of Pakistan
GUB, Government of the Union of Burma
HICOM, High Commissioner
Hicomer, High Commissioner
HM, Her Majesty
HMG, Her Majesty's Government
HON, series indicator for papers prepared in connection with the First Meeting, ANZUS Council, held at Honolulu, August 4-6, 1952
IADB, Inter-American Defense Board
IBRD, International Bank for Reconstruction and Development
IC, Indochina
IMF, International Monetary Fund
ISA, International Security Affairs (an office of the Department of Defense)
IVAG, a proposed International Volunteer Air Group
JCS, Joint Chiefs of Staff
JSG, Joint Study Group (of the United Kingdom and the United States)
JSSC, Joint Strategic Survey Committee
KV, series indicator for papers prepared in connection with the visit of Sir John Kotelawala, Prime Minister of Ceylon, to Washington, December 6-8, 1954
L, Office of the Legal Adviser, Department of State
L/E, Office of the Assistant Legal Adviser for Economic Affairs, Department of State
L/FE, Office of the Assistant Legal Adviser for Far Eastern Affairs, Department of State
L/UNA, Office of the Assistant Legal Adviser for United Nations Affairs, Department of State
LOC, line of communication
LST(s), tank landing ships
MAAG, Military Assistance Advisory Group
MDAP, Mutual Defense Assistance Program
ME, Middle East
MEC, the proposed Middle East Command
MEDO, the proposed Middle East Defense Organization
MIG(s), Russian-made fighter aircraft
Mil Rep(s), Military Representative(s)
MIN, minute
MISC/RA, Miscellaneous, Regional Affairs
MS, Mutual Security Agency
MSA, Mutual Security Act (of 1951); Mutual Security Agency; Mutual Security Assistance
msg, message
MTL, series indicator for papers prepared in connection with bipartite and tripartite meetings of the Foreign Ministers of France, the United Kingdom, and the United States at London late in June 1952
mytel, my telegram
NA, Office of Northeast Asian Affairs, Department of State
NAC, National Advisory Council on International Monetary and Financial Problems
NAC, North Atlantic Council
NAT, North Atlantic Treaty
NATO, North Atlantic Treaty Organization
NEA, Bureau of Near Eastern, South Asian, and African Affairs, Department of State
niact, night action, communications indicator requiring attention by the recipient at any hour of the day or night
NIE, National Intelligence Estimate
NSC, National Security Council

NZ, New Zealand
OAS, Organization of American States
OCB, Operations Coordinating Board
ODM, Office of Defense Mobilization
OEEC, Organization for European Economic Cooperation
OIR, Office of Intelligence Research, Department of State
P, Bureau of Public Affairs, Department of State
Pac, Pacific
PriMin, Prime Minister
POC, Peace Observation Commission
POL, petroleum, oil, lubricants
PPS, Policy Planning Staff, Department of State
PSA, Office of Philippine and Southeast Asian Affairs, Department of State
PSB, Psychological Strategy Board
R, Office of the Special Assistant for Intelligence, Department of State
RAF, Royal Air Force
ROK, Republic of Korea
SACLANT, Supreme Allied Commander, Atlantic
SCAP, Supreme Commander for the Allied Powers in Japan
SCEM, series indicator for papers prepared in connection with bipartite and tripartite meetings of the Foreign Ministers of France, the United Kingdom, and the United States at Paris in late May 1952
SE, Special Estimate
SEAP, letters standing for "Southeast Asia Pact" were used as a series indicator for documents circulated in preparation for the Manila Conference
SEATO, Southeast Asia Treaty Organization
Secto, series indicator for telegrams to the Department of State from the Secretary of State (or his delegation) in connection with international conferences
SHAPE, Supreme Headquarters, Allied Powers, Europe
SM N, Staff Meetings Notes
SOA, Office of South Asian Affairs, Department of State
S/P, Policy Planning Staff, Department of State
SS, submarine
S/S, the Executive Secretariat of the Department of State
S/S–R, the Executive Secretariat, Policy Reports Staff, Department of State
SUNFED, proposed Special United Nations Fund for Economic Development
TCT, Truman-Churchill talks (series indicator for papers prepared in connection with the visit to the United States of Winston S. Churchill, Prime Minister of the United Kingdom, January 5–19, 1952)
Tedul, primarily a series indicator for telegrams to Secretary of State Dulles while absent from Washington; also used as series indicator for telegrams from Dulles to the head of the United States Delegation at an international conference
T.H., Territory of Hawaii
TIAS, Treaties and Other International Acts Series
Tosec, series indicator for telegrams from the Department of State to the Secretary of State or his delegation in connection with conferences of Foreign Ministers
UK, United Kingdom
UKG, United Kingdom Government
U/MSA, Office of the Special Assistant for Mutural Security Affairs in the Office of the Under Secretary, Department of State
UN, United Nations
UNESCO, United Nations Educational, Scientific, and Cultural Organization
UNKRA, United Nations Korean Reconstruction Agency
U/OC, Office of the Operations Coordinator, Department of State
UP, United Press
urinfo, your information
urtel, your telegram
USA, United States Army
USAF, United States Air Force
US Del, United States Delegation
Usfoto, series indicator for telegrams and airgrams from the Foreign Operations Administration to missions abroad
USIS, United States Information Service
USMC, United States Marine Corps
USN, United States Navy
USRO, United States Mission to the North Atlantic Treaty Organization and European Regional Organizations
USSR, Union of Soviet Socialist Republics
UST, *United States Treaties and Other International Agreements*

VOA, Voice of America
VP, patrol plane squadron
WAM, series indicator for papers prepared in connection with the Washington ANZUS meeting of September 1953
WE, Office of Western European Affairs, Department of State
WG, Working Group

GENERAL UNITED STATES POLICIES WITH RESPECT TO THE EAST ASIAN-PACIFIC AREA; ACTIVITIES OF THE ANZUS POWERS; FIVE-POWER MILITARY CONSULTATIONS; CONCLUSION OF THE SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY; REVIEW OF REGIONAL ECONOMIC AID AND DEVELOPMENT PROGRAMS [1]

Conference files, lot 59 D 95, CF 99 [2]

Position Paper Prepared in the Department of State [3]

TOP SECRET WASHINGTON, December 29, 1951.

THE MILITARY ROLE OF AUSTRALIA AND NEW ZEALAND

Problem:

To inform Mr. Churchill of the role envisaged for Australia and New Zealand in meeting Communist aggression.

Facts Bearing on the Problem:

a. Australia and New Zealand have refrained from making a firm commitment of forces to the military effort to meet Communist aggression globally;

b. The security of the general area of the Middle East, as a whole, including particularly the oil areas and the Suez Canal, is important to the Western World;

c. The United States does not plan to commit its forces to the defense of the Middle East; and

d. If the United Kingdom is to meet its strategic responsibility for the defense of the general area of the Middle East, substantial armed forces from Australia and New Zealand as well as other commonwealth nations will, in all probability, have to be provided.

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[1] Continued from *Foreign Relations*, 1951, vol. VI, Part 1, pp. 1 ff.

[2] Collection of documentation on certain official visits of European heads of government and foreign ministers to the United States and on major international conferences attended by the Secretary of State for the period 1949–1953, as maintained by the Executive Secretariat of the Department of State.

[3] This paper, designated TCT D-5/11c, was prepared by the Steering Group on preparations for talks between President Truman and Prime Minister Winston S. Churchill of the United Kingdom. Churchill was in the United States Jan. 5-18, 1952; see the editorial note, p. 8. For documentation regarding this visit, see volume VI.

TCT D-5/11c is attached to a covering note by Robbins P. Gilman, Secretary of the Steering Group, who stated that it incorporated suggestions made by the Joint Chiefs of Staff and that it had been approved at the official level.

U.S. Objectives:

To encourage the development of the military potential of Australia and New Zealand for the common defense against the Communist threat.

Probable Position of U.K.:

(a) Desires to obtain commitment of troops by Australia and New Zealand to the defense of the Middle East.

(b) Desires to obtain participation of Australia and New Zealand together with France, Britain and the United States in the defense of Southeast Asia.

Position to be presented: (*Only* if raised by Mr. Churchill)

As you know, this government has done its best to encourage the development of the military potential of Australia and New Zealand for the common defense against the Communist threat. Clearly, these two countries are vital links in the defensive chain running from Japan and Okinawa, through the Philippines, to Australia and New Zealand. The defense of that chain is essential to the maintenance of the interests of both our countries in the Pacific. United States policy with respect to Australia and New Zealand is based upon recognition that an armed attack in the Pacific area against either of these two countries would be dangerous to its own peace and safety. We have given concrete form to this belief by committing our armed forces to the defense of Australia and New Zealand. The tripartite security pact [4] spells out this commitment. On the other hand that pact recognized the fact that Australia and New Zealand, as members of the British Commonwealth of Nations, have military obligations outside as well as within the Pacific area. As a result I think that this security arrangement should free substantial Australian and New Zealand forces for the defense of the Middle East. Prime Minister Holland in Washington last February specifically asked whether New Zealand's commitment to the Middle East would be considered as a contribution to the then contemplated Pacific security arrangement. He was told then that the U.S. would certainly look at such a contribution as a benefit to over-all "allied" strategy. [5] I still believe this to be the case.

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[4] For text of the Security Treaty between Australia, New Zealand, and the United States, also known as the ANZUS Pact, signed at San Francisco Sept. 1, 1951, see *United States Treaties and Other International Agreements* (UST), vol. 3 (pt. 3), p. 3420.

[5] For the memorandum of a conversation held Feb. 8, 1951, between Prime Minister Sidney G. Holland and Dean Rusk, Assistant Secretary of State for Far Eastern Affairs, see *Foreign Relations*, 1951, vol. VI, Part 1, p. 147.

On the other hand, while we recognize the importance of Southeast Asia and are concerned that the countries in the area do not fall into the Communist camp, we cannot at this time accept the commitment of U.S. ground forces to the defense of the area. You would agree, I am sure, that paper security agreements not backed by commitments of forces are worse than none at all. I think it naturally follows from this that it is too soon to attempt to establish a regional security system in the Pacific similar to NATO. While in a global war the defense of Southeast Asia would probably assume secondary importance to the defense of the Middle East, we should also consider the role which Australian and New Zealand forces might best play in hostilities limited to the Far East. In the event of a Communist move to the southward from China without a concurrent commencement of hostilities elsewhere, available Australian and New Zealand forces could be employed in the Southeast Asia area.

Discussion:

The above subject should not be raised by President Truman in the talks with Mr. Churchill.

1. The U.S. desires that the military potential of Australia and New Zealand be developed.

2. The U.S. has entered into a tripartite security agreement with Australia and New Zealand.

3. The U.S. desires an Australia and New Zealand commitment of forces to the Middle East. The U.S. hopes the Pact will facilitate the contribution of troops by Australia and New Zealand for the Middle East.

4. The U.S. is not willing at this time to enter any regional pact with regard to Southeast Asia that would commit U.S. forces to the defense of that area.

751G.5/1-252

The Secretary of Defense (Lovett) to the Secretary of State

TOP SECRET WASHINGTON, January 2, 1952.

DEAR MR. SECRETARY: Reference is made to Department of State draft position paper TCT D-5/3b, dated 26 December 1951, entitled "Indochina".[1]

The Joint Chiefs of Staff have reviewed this paper and concur generally in it. However, they feel that the paper does not adequately cover possible courses of action in the event of Chinese Communist intervention in the hostilities of Indochina, and accordingly recommend certain additions for this purpose, as well as changes to define more closely possible US command relationship and commitments in that area. A copy of these comments and recommendations is inclosed herewith. These comments and recommendations have my concurrence.

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[1] Not printed. (CFM files, lot M 88) TCT D-5/3b was prepared by the Steering Group for the Truman-Churchill talks.

Sincerely yours,

ROBERT A. LOVETT

[Enclosure]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Lovett)

TOP SECRET WASHINGTON, December 28, 1951.

Subject: Indochina (TCT D–5/3b), dated 26 December 1951.

1. The Joint Chiefs of Staff have reviewed the Department of State draft negotiating paper entitled "Indochina" (TCT D–5/3b, dated 26 December 1951) prepared by the Department of State for use in the forthcoming Washington Talks between the President and Prime Minister Churchill in the event the subject is raised by the latter. The Joint Chiefs of Staff concur generally with the subject paper but feel that it does not adequately cover possible courses of action in the event of Chinese Communist intervention in the hostilities in Indochina. Accordingly, the Joint Chiefs of Staff recommend that the basic draft negotiating paper be modified to reflect the substance of the following changes:

a. Insert a new paragraph as follows after the fourth paragraph under the heading *Position to be presented:*

> "In the event of active Chinese Communist participation in the conflict in Indochina, either openly or under the fiction of 'volunteer forces', the United States, in its security interests, might consider taking military action, short of the actual employment of ground forces, in Indochina, if it became apparent that such action was necessary to prevent the fall of that country to communism. Further, in such an eventuality, the United States considers that the United Nations should take appropriate action. If the Chinese Communist Government intervened in Indochina overtly, it is possible that action by United States/United Nations forces to include the following might be necessary: (a) a blockade of the China coast by air and naval forces with concurrent military action against selected targets held by Communist China, all without commitment of United States ground forces in China or Indochina; and (b) eventually,

the possible participation of Chinese Nationalist forces in the action. Further, if the Chinese Communists intervened in Indochina under the fiction of 'volunteer forces', it would be highly desirable for political action to be taken which would expose this fiction, thus removing insofar as practicable current objections of friendly member nations of the United Nations to such a course of action as envisioned above." [2]

b. In the interest of accuracy, change the first two sentences of the final paragraph under the heading *Position to be presented* to read as follows (changes indicated in the usual manner):

> "In our present thinking we do not envisage a command set-up in Southeast Asia through the organization of a combined chiefs of staff, and we would ~~not be prepared to discuss a~~ *also oppose any* project for *the United States to be a party to a* combined command structure ~~during the military conversations which I have mentioned.~~ I should point out, ~~however~~ *in any event,* that we won't be in a position *under the present circumstances* to commit any forces ~~in the forseeable future~~ to the Southeast Asia area." [3]

For the Joint Chiefs of Staff:
OMAR N. BRADLEY
Chairman
Joint Chiefs of Staff

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[2] With the exception of the third sentence, which was omitted, this suggested paragraph was incorporated in TCT D-5/3c, Jan. 2, not printed, a revision of TCT D-5/3b. (Conference files, lot 59 D 95, CF 99)

[3] On Jan. 2, at a meeting with Department of State representatives, the Joint Chiefs of Staff stated that they would have no objection to the insertion of the word "ground" before the word "forces". (Note by the Secretaries of the Joint Chiefs of Staff, Jan. 4; JCS files, 092 Asia (6-25-48)) As it appeared in TCT D-5/3c, the paragraph reads as follows:

"In our present thinking we do not envisage a command set-up in Southeast Asia through the organization of a combined chiefs of staff, and we would also oppose any project for the United States to be a party to a combined command structure. I should point out, in any event, that we won't be in a position under the present circumstances to commit ground forces to the Southeast Asia area. Frankly, my advisors and I feel that the military and economic aid program now under way represents the best contribution we could make toward stabilizing conditions in the area."

TCT D-5/3c was marked to indicate that all positions in it were to be presented to Churchill only if the subject were raised by him.

790.5/1-252

The Secretary of Defense (Lovett) to the Secretary of State

TOP SECRET WASHINGTON, January 2, 1952.

DEAR MR. SECRETARY: Reference is made to Department of State draft negotiating paper TCT D-5/12b, dated 26 December 1951, entitled "Defense of Southeast Asia",[1] which discusses U.S. interests in the defense of that area.

In their comments on this paper, the Joint Chiefs of Staff oppose any statement, expressed or implied, that U.S. support will include the commitment or involvement of any United States armed forces to the Southeast Asian area; and they therefore recommend, in the interests of clarity, preciseness, and completeness, that the sections of the basic paper headed *Position to be Presented* and *Discussion* be revised as indicated in their comments. However, they do agree to a meeting with the British and French in Washington in early January on the subject of Southeast Asia, this conference to be without commitment on the part of the Joint Chiefs of Staff.

Inclosed herewith are the detailed comments of the Joint Chiefs of Staff, with which I concur.

Sincerely yours,

ROBERT A. LOVETT

[Enclosure]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Lovett)

TOP SECRET WASHINGTON, December 28, 1951.

Subject: Defense of Southeast Asia (TCT D-5/12b, dated 26 December 1951)

1. The Joint Chiefs of Staff have reviewed TCT D-5/12b, dated 26 December 1951, a draft negotiating paper prepared by the Department of State, to be used in the forthcoming Washington talks with the British Prime Minister in the event that the question of the defense of Southeast Asia is raised by Mr. Churchill.

2. The Joint Chiefs of Staff concur generally with the views expressed in the subject paper. However, they oppose any statement, expressed or implied, that United States support will include the commitment or involvement of any United States armed forces to the Southeast Asian area. They recommend, therefore, in the interests of clarity, preciseness, and completeness that the sections of the basic paper headed *Position to be Presented* and *Discussion* be revised to include the substance of the following suggested changes (changes indicated in the usual manner):

a. Change the final sentence of the first paragraph under *Position to be Presented* as follows:

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[1] Not printed. (CFM files, lot M 88) TCT D-5/12b was prepared by the Steering Group for the Truman-Churchill talks.

"Furthermore, in the event that the Chinese Communists do attack the area, despite our every effort to prevent it, the U.S. will ~~contribute everything~~ *make such contribution as is* possible, in the light of its world commitments, to the defense of Southeast Asia except for the deployment *to the area* of American ground ~~troops~~ *forces. It may, however, become necessary to take air and naval action directly against Communist China itself, such as blockade and attack against selected targets.*"

b. Change the first sentence of the second paragraph under the heading *Position to be Presented* to read in substance as follows:

"The US Government is agreeable to engaging in *a* military discussions with the British and French with regard to Southeast Asia, *the conference, however, to be without commitment on the part of the United States,* and would hope during the course of these talks to learn what plans you have been making for the defense of Southeast Asia in case the Chinese attack ~~particularly~~ if Indochina, Burma, or Thailand ~~are the victims~~."

c. Change the final sentence of the second paragraph under the heading of *Discussion* to read:

"However, the JCS have now modified their position and in the near future will notify the British and French they agree to a meeting in Washington ~~at the earliest opportunity.~~ *in early January on the subject of Southeast Asia, this conference to be without commitment on the part of the Joint Chiefs of Staff.*"[2]

For the Joint Chiefs of Staff:
Omar N. Bradley
Chairman
Joint Chiefs of Staff

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[2] All of the modifications suggested in this memorandum were incorporated in TCT D-5/12c, Jan. 2, not printed. (Conference files, lot 59 D 95, CF 99)

In the minutes of the third formal session of the Truman-Churchill talks, held Jan. 8, Acheson's remarks on Indochina are summarized as follows:

"Turning to Indochina, Secretary Acheson stated that the United States Government had not decided upon its course of action in the case of new developments in the area, such as a Chinese invasion. However, the United States Government was currently giving fullest consideration to this matter and its views would shortly be presented to the President for his consideration. In the meanwhile we had agreed to staff talks with the UK and France concerning the military problems in that part of the world. The West is indeed faced with a dilemma: if we do nothing it would be most unfortunate yet it is most difficult to see how we can do something effective. In any event the western powers must work closely together." (Conference files, lot 59 D 95, CF 100)

Full text of this minute is printed in the compilation on relations of the United States and the United Kingdom in volume VI.

Editorial Note

Winston S. Churchill, Prime Minister and Minister of Defense of the United Kingdom, was in the United States January 5–18 heading a British delegation which held both formal and informal talks with President Truman and other United States officials. For memoranda and minutes of these talks, see volume VI.

Records of the following talks between the President, the Prime Minister and their advisers are of special pertinence to the subjects treated in the present compilation:

1. Memorandum by Secretary Acheson of talks held aboard the yacht *Williamsburg* January 5.
2. Notes on the same talks drafted by General of the Army Omar N. Bradley, Chairman, Joint Chiefs of Staff.
3. Memorandum by Secretary Acheson of dinner conversation at the British Embassy, January 6.
4. United States Minutes of the Third Formal Session, held January 8.

790.5/2-752

Notes of Tripartite Military Conversations on Southeast Asia, by the Secretary (Lalor) and Deputy Secretary (Carns)[1] *of the Joint Chiefs of Staff*[2]

TOP SECRET WASHINGTON, January 11, 1952—10 a.m.

[Here follow a list of persons present (37) and discussion of the military and/or internal security situation in a number of individual Asian countries. The French Delegation was headed by General Alphonse Juin, General Inspector of the French Army, Navy, and Air Force. Admiral Sir Roderick Robert McGrigor, First Sea Lord and Chief of Naval Staff, headed the British Delegation. General of the Army Omar N. Bradley, Chairman of the Joint Chiefs of Staff, led the United States Delegation. Observers from Australia, Canada, and New Zealand were among those present.]

General Vandenberg:[3] I would like to add something—in no sense desiring to enlarge the discussion. Someone said at the start that these matters are politico-military. In every area we are faced with the problem that each nation quite properly is thinking of its own troubles, that is, the French in Indochina, the British in Hong Kong, etc. Eventually we military people must face the fact that in many fringe areas around the globe our nationals are being killed in battles with satellites, and the whole thing is directed by the Soviet Union. Therefore, from a military point of view, there must be a limit as to how far we can extend this fighting against satellites. I have no solution to offer, but all of these troops we have engaged are related to our force requirements for NATO, the British in Egypt, and what might eventually have to be put into Iran. From a military point of view, the prospect of exhaustion without a military decision some day must be faced.

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[1] Rear Adm. William G. Lalor, USN (ret.) and Col. Edwin H. J. Carns, USA.

[2] Notes transmitted to the Department of State under a covering memorandum of Feb. 7 from Admiral Lalor to Frederick E. Nolting, Jr., Assistant to the Deputy Under Secretary of State. Secretary of State Acheson received a summary of the discussion and action taken at the meeting in a memorandum of Jan. 12 from John M. Allison, Assistant Secretary of State for Far Eastern Affairs. (790.5/1-1252)

[3] Gen. Hoyt S. Vandenberg, Chief of Staff, U.S. Air Force.

General Bradley: I would say what General Vandenberg has just said leads us to item number 2.[4] The question he raises is, can we divide off the defense of Southeast Asia from the rest of the world? Can we put out fires everywhere as they break out? Therefore, I suggest we go to item 2.

General Juin: As has been brought out, China is the main Soviet satellite, and she is working on Indochina and Burma in turn. Therefore, I should like to return to the possibility of Chinese aggression in this area. Can we discourage them with threats, and what can we do if the aggression happens? It can happen in Indochina, tomorrow. As to prevention by means of a threat, can we identify a weapon which we would use in retaliation?

General Bradley: We have thought of all that in regard to possible actions which could be taken to discourage Chinese aggression, not only in Korea after an armistice, but in Indochina. Some things we might do involve greater commitments and greater risks than others. For instance, naval blockade with air attacks against Chinese communications and communications centers is one line of action. We have thought that anything of that sort should be a UN proposition. With regard to the risk of involvement, we must think of progressive steps we can take without becoming involved to the extent that we find ourselves in a position where the USSR can pull the strings.

As to using the atomic bomb as a threat, we return to the same principle that we should make no such threat unless we have a full intention of carrying it out. If we were to threaten in this way, the understanding must be that we would certainly use the bomb if our ultimatum didn't accomplish its purpose. Also, it would have to be emphasized that the bomb would be used only against military targets and not against populations. Our ultimatum should so state. It also raises one of General Vandenberg's questions, that is, if you have a limited number of atomic bombs do you use them on China or should you save them for someone else?

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[4] "Defense of Southeast Asia Including Action in the Event of Deterioration of the Situation."

Field Marshal Slim:[5] The measures General Bradley is talking about are those we might take if the Chinese renewed aggression in Korea or started somewhere else. Can't we make it more unlikely that she will? Can't we give her a definite warning that if she hits against any of us she will find herself in the same fix as she is in Korea? Let's raise some doubt in the Chinaman's mind. Let's not be too specific in threatening retaliation. I for one wouldn't favor using the atomic bomb. Let's tell China that if she undertakes aggression anywhere, we reserve the right to use all measures at our disposal. What we are really trying to do is to deter aggression, and I think it is best accomplished by raising in the Chinaman's mind the question as to what form our retaliation might take.

General Bradley: I think we would agree to that. We shouldn't let them know that we wouldn't use any particular type of retaliation. He should not be sure that we would not use one thing or another. I feel that while keeping our eyes on the main enemy we might adopt more modern weapons at any time for use against anybody.

General Juin: I agree with Marshal Slim, but I feel that China should have a warning and that we should be prepared to carry out whatever we threaten to do. I have another question. Are we going to hold our bases in Asia in the face of a Chinese attack?

General Collins:[6] It seems clear to me that in Southeast Asia we are fighting a rear-guard action. I don't see how we can hold. Therefore, we must hit at China if she attacks. We must get word to China that any aggression on her part will bring down on her great difficulties. I would like to ask if Marshal Slim thinks that the declaration, which I understand has been generally accepted by Governments, should have broader application than [in] Korea?

General Juin: I think it should apply everywhere and not only to breaking of the armistice agreement by the Chinese.

Field Marshal Slim: Then you think that the warning against aggression after an armistice is reached should apply in other areas as well? I shouldn't think we would be gaining much if the conclusion of an armistice means that there would be trouble elsewhere.

General Juin: The Soviets have a double interest in the Southeast Asia fighting. She is just as anxious for us to kill the Chinese as she is for the Chinese to kill us.

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[5] Field Marshal Sir William Joseph Slim, Chief of the Imperial General Staff of the United Kingdom.

[6] Gen. J. Lawton Collins, Chief of Staff, U.S. Army.

General Collins: What I would like to know is how Marshal Slim feels about applying the Korean sanctions in other areas.

Field Marshal Slim: I don't feel that it should. If a warning is given that Chinese aggression is to be met by us with strong measures, it should not necessarily be tied to the Korean armistice.

General Juin: I think a statement of general application should be made.

Field Marshal Slim: To me it is more logical militarily, but before hooking the thing to the Korean armistice a political decision is required.

General Juin: I have a question. Let us assume that we have an armistice in Korea and the United Nations arrive at a political agreement with China. Let us assume further that the UN troops are taken out and a warning is given to China. Suppose the Communists break the armistice—would the United States do the same thing she did before in Korea, that is, put in expeditionary forces? I think not.

General Bradley: I think we must admit that we couldn't go back to the same type of fighting in Korea.

General Collins: Yes, but that would not be a unilateral decision.

General Juin: The truth is that we are now fighting a rearguard action, and what remains to be seen is how long it continues. We must have a few bases in Asia.

General Vandenberg: I realize how long the issuance of statements take, but if the armistice should drag along six weeks with the Chinese army poised, what happens—do we still wait?

Field Marshal Slim: There is an advantage if you are going to make a warning statement to make it early rather than later when the Chinese have had a chance for preparations. However, if we were to link our broader sanction to the Korean armistice, I think we might get ourselves tied up. It involves the agreement of 16 nations, all of whom probably wouldn't be willing to go that far.

At this point General Bradley received a message announcing the death of General De Lattre.[7] He expressed to General Juin the deep feelings of regret shared by the conferees.

After General Juin's reply, it was agreed to adjourn the meeting until 1500 hours.

The meeting reconvened at 1400.

General Bradley: I believe that we still have some discussion on Part I of Item 2. That is "Defense of Southeast Asia including action in the event of deterioration of the situation." I believe that

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[7] General of the Army Jean de Lattre de Tassigny, French High Commissioner in Indochina and Commander of French Union Forces, died in Paris on Jan. 11.

General Collins was about to make an observation when we recessed.

General Collins: Insofar as the Declaration that we are discussing, as I recall it, Marshal Slim feels that it would be impracticable to broaden the statement which the Governments are talking about in connection with the Korean armistice or to get all of the sixteen Korean participating nations to agree on the particular Declaration which we are discussing now. Therefore, what is the thinking in terms of the form or timing of the participating nations insofar as *this* particular Declaration is concerned?

Field Marshal Slim: The form, of course, is really a matter for political decision. I would be prepared to recommend that our three Governments issue the thing in the form of a warning to the Chinese Communists, not publicly, that in case of aggression by the Chinese Communists the consequences will be the same as those in Korea.

General Collins: Will it not be necessary for the military people to agree on what would be done if the statement were made and aggression subsequently occurred?

Field Marshal Slim: Yes, definitely. The statement would be no good unless there were agreement on action to be taken in case of aggression. It might be something in the form of "An attack on one of us is an attack on all", or something like that. Also, the Chinese should be informed that it should be obvious to them that it would be difficult to confine our reaction to the place where the attack occurs. We should make it clear that the result would be a spread of the conflict.

General Vandenberg: That clarifies my mind a lot. If in Korea we knew that the Chinese Communists were going to come in, our action there would have been much different from what it was.

General Collins: As I understand it, the agreed language of the Korean armistice Declaration is phrased in more or less the same manner as just stated by Marshal Slim.

Field Marshal Slim: The Korean armistice Declaration says that the conflict not be limited to Korea in the event that the armistice is broken. The new Declaration should be worded the same way.

General Juin: I agree with Marshal Slim that the two warnings should be similar.

General Collins: In the time which is available to us I do not believe that we can determine the military measures which could and would be taken but that is a necessary prerequisite to the warning. Shall we establish a subordinate group to make recommendations to us which will in turn form the basis of our recommendations to our respective governments?

Field Marshal Slim: We have made an analysis of this on the U.K. side and the conclusion which we have inevitably reached is that we are stretched. As you know, all of our divisions are overseas. We may, however, be able to produce something on the sea and in the air. But that could be obtained only from somewhere else. The Navy, for example, from Korean waters.

General Bradley: We are discussing two statements: (1) the statement to be issued concurrent with the Korean armistice, and (2) another statement, perhaps not to be made public. They both require political decisions and on that level statement number one has been fairly well worked out, whereas statement number two has not yet been discussed. The big point on statement number two is what recommendations to make to our governments on that, including what military action can be agreed upon as a basis for making the statement. As I see it, we should discuss the matter with our Governments. Am I right?

General Juin: Yes, each one of us should do that and I recommend that it be discussed with our Governments in terms of a unanimous expression of opinion of this meeting.

Field Marshal Slim: Should Declaration number two be tied in to Korea; should it be contingent in any way on whether we do or do not have an armistice?

General Collins: I doubt seriously if we could get the U.S. to go along with statement number two unless it were tied some way to Korea.

Field Marshal Slim: Would the issuance of Declaration number two, that is, the warning, have any implication on the chances of getting an armistice in Korea?

General Juin: But the aggression has occurred in Korea.

Field Marshal Slim: Suppose there were no armistice and come Spring, the fight picks up again in earnest, do we recommend that the war be extended to China? If that were done it is my opinion that the Chinese Communists would be bound to react in other places; that is, Hong Kong or Indochina. Do we want that?

General Juin: The Declaration should be aimed toward fighting new aggressions and insofar as extending the war, the extension would have been done by China.

Field Marshal Slim: Would that be true if we extend it beyond Korea in the event of no Chinese Communist aggression elsewhere?

General Juin: How could that be done? We can't.

Field Marshal Slim: It can be done by air attack and by blockade. It seems to me that we have changed our thinking somewhat in this matter since we are now saying that if the fight in Korea continues we will extend the area of hostilities, whereas the Declaration number one was aimed toward getting an armistice and a subsequent break of that armistice by the Chinese Communists. I am quite sure that it is our opinion in the U.K. that in event of no change in conditions elsewhere we would not want to extend the war to China and I was under the impression that the French were thinking along the same lines.

General Bradley: It would appear that there are three conditions involved. They are (1) the condition which exists if we have an armistice and the Chinese Communists break it. It appears that there is agreement on that. Then (2) the condition which exists after an armistice and an aggression occurs in another locality, and then (3) there is no armistice in Korea and the fighting continues. If condition number (3) prevails we on the U.S. side do not see how we can get a decision on the matter in Korea and we definitely want a decision.

General Collins: I will point out that we have nine divisions in Japan and Korea and that is a big force.

Field Marshal Slim: That worries me somewhat. In the event that Korea continues and as a result we do extend the war we think that it may lock up even more forces than are locked up now. So I would agree on condition number (1) which General Bradley mentioned and I would agree on a warning to be issued on condition number (2), that is, aggression elsewhere. But as far as extending the war beyond Korea in event that the fighting continues there, that is, except under condition number (1) which is an armistice with a subsequent breach by the Chinese Communists, that would be a matter for governmental decision.

General Juin: We can not commit anybody to make war on China but the objective that we are striving for is to prevent China from extending the war.

Field Marshal Slim: I take it then that each of us would recommend to our Governments that they consider warning China of the consequences of aggression elsewhere and that consideration be given to the consequences of extending the conflict beyond Korea if the fighting continues there in the event of no armistice.

General Bradley: We must determine what shall be done in the event that there is no armistice in Korea.

General Juin: But what if Tonkin is invaded tomorrow?

Field Marshal Slim: It points up the fact that if the warning to the Chinese Communists is to be made, that is, the one pointed toward other aggressions, the sooner made the better.

General Juin: It should be made soon.

Field Marshal Slim: I agree, but of course as soon as we mention it to our Governments what will you do militarily?

General Juin: That matter must be discussed.

General Bradley: It gets us back somewhat to the agenda.

Field Marshal Slim: It appears to me that the most we can do is to conclude that the matter must be given intensive study in communication with one another.

General Juin: I agree, and since it is not a Standing Group matter it should be done by some tripartite body.

General Bradley: Perhaps more than three nations should participate. Australia and New Zealand are certainly interested.

Field Marshal Slim: We would surely want those two nations to participate.

General Juin: I would certainly be for that.

General Bradley: I hope you all understand the extent to which our forces are tied down. The Pacific, as you know, as a result of Korea, has much more than its share and it is going to be difficult for us to commit forces to other parts of Asia; that is, anything additional to what we have in Korea.

General Juin: The situation is the same with France and the U.K. Insofar as France is concerned, if our forces in Indochina were to be strengthened they would have to come from Germany.

Field Marshal Slim: If we go to war with China it points up the fact that perhaps our forces are not distributed properly. Of course, we might be able to crack the nut without too much ground forces.

General Collins: There are just none available; it will have to be done by naval and air forces.

General Juin: We should not contemplate a land war against China. The starting point should be a definition of what we desire to hold on the land first.

Field Marshal Slim: Obviously, we do not want to give up anything which we now have.

General Collins: I can understand that you naturally would not want to give up Hong Kong, but how would you hold?

Field Marshal Slim: It would be difficult.

General Juin: Our action against China would be in the form of a blockade to stifle her.

General Collins: It brings up a point, and that is that the Chinese Nationalist troops are really the only ones available insofar as ground forces are concerned; that is, the troops on Formosa and those which I understand are interned in Indochina. How would the French feel about using those forces on the mainland against the Chinese Communists?

General Juin: In case of Chinese aggression we would be willing that those troops be introduced into China and we would consider that aggression by Chinese volunteers; in fact, aggression by China.

Field Marshal Slim: Insofar as the use of Chinese Nationalist troops is concerned, the objection to that is once it has started it is our thought that the Chinese Communists' reaction would get much tougher and prolong their stay in power. If those troops went on the mainland under the badge of Chiang Kai-shek it might solidify the Chinese Communists and then I wonder if we would gain in the end. We would have to think that one out. Incidentally, how reliable are the Chinese Nationalist troops? If, say, 50,000 from Formosa were landed on the mainland, do you think that they would fight or be inclined to go to the other side?

General Collins: Frankly, that is a hard one to answer categorically. I think it would be dependent to a large extent on what they thought were their chances of success. Personally, I am not too sanguine about the matter.

General Juin: We have only 30,000 interned in Indochina and I really don't know what their capability would be.

Field Marshal Slim: The Committee which we set to work on this matter could study that angle.

General Juin: Of course the question of the use of Chinese Nationalist troops raises certain political issues. Would an attack on Formosa by Chinese Communists come within the framework of the proposed warning we are discussing?

Field Marshal Slim: Which brings up a point—which Chinese Government do the French recognize?

General Juin: The Government on Formosa.

Field Marshal Slim: It appears that we are in the minority on that one.

What form do you, General Bradley, think our study should take? If we agree that we should consider issuing a warning we must study what military measures are connected with it.

General Bradley: I agree that that must be done. Of course, we have studied the thing unilaterally but it would be most helpful if it could be done jointly. Which countries do you contemplate should participate?

General Juin: U.S., U.K., and France, and Australia and New Zealand.

General Bradley: What of Canada; do you wish to participate?

Air Marshal Campbell: No, I am quite sure that there would be no necessity to include us.

General Bradley: Then I take it that the nature of the group would be in the form of an *ad hoc* committee consisting of representatives of the five countries. Would it be done in Washington by people who are new here?

Field Marshal Slim: It should not be within the Standing Group.

General Juin: It should be by delegates of the commands involved; that is, by people from the areas concerned.

Field Marshal Slim: We are not prepared to draw someone from the area for the purposes of this study.

General Juin: I am thinking in terms of the group dealing with everything which was raised at Singapore.

Field Marshal Slim: I believe that it should be done by people from here with information to be supplied by the areas concerned. We could call on the commanders there for any information which is necessary.

General Juin: The group should be empowered to define aggression.

General Collins: I doubt that seriously. I am sure that that could not be done.

Field Marshal Slim: The definition of aggression would be a political matter.

General Juin: But who would do it? We would be losing time if we waited for the Governments to define it.

Field Marshal Slim: There would be nothing to prevent the group from recommending what they considered aggression, but the decision in that respect must be made by Governments.

General Collins: If we are going to get anything from the group we must keep details out of the study. They should come up with what we can do in general terms.

Field Marshal Slim: That is correct, and I stress that the group should not fall into the error of building its study on requirements. They should come up with the answer of what is the best use we can make of what we have.

General Collins: I agree.

General Bradley: We are prepared to designate the people to participate in this thing any time that it is agreed it should be started.

(After a further short discussion it was agreed that the study under discussion would be made in Washington.)

Air Chief Marshal Elliot: [8] Who will convene the group? Also, is the study to be based on the forces which are now in the Far East? If the answer to the latter is affirmative I am inclined to go along with General Juin's thinking in that it could best be accomplished in the area. What forces are to be considered?

Field Marshal Slim: We will tell you on a very short piece of paper what additional forces might be supplied.

General Vandenberg: I point out that Formosa is a very nice air base for use under conditions such as are envisaged here. As a matter of fact, there are numerous bases if we utilize all of them. I believe that the study should not rule out consideration of the use of Formosa.

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[8] Air Chief Marshal Sir William Elliot, Chairman of the British Joint Services Mission and British Representative on the NATO Standing Group.

General Bradley: Also, I take it that we will direct the group to discuss action which should be taken if China moves *anywhere*.

(General Bradley's question was answered in the affirmative.)

General Juin: Insofar as the urgency of this matter is concerned—if the aggression occurs in Tonkin before the warning is issued and before the group finishes its report, what assistance can we expect in Indochina? I am thinking, of course, in terms of aggression in the next ten days.

General Bradley: We have no authority to commit our Government on that. As a matter of fact, all of our Governments would have to consult. So far, our aid to Indochina has been in the form of equipment, and its priority is just below that of Korea. Also, equipment is moving better now than it was.

General Juin: What we would need is air and naval support from your 7th Fleet. From day to day things are becoming more difficult.

General Bradley: Our Government right now is giving special consideration to the situation in Southeast Asia. I don't know yet what the answer will be.

General Juin: It is the same question that I asked a year ago. It is a matter of life or death for 80,000-100,000 of the finest French soldiers. Also, we need them elsewhere.

General Bradley: We appreciate your difficulties, but our forces are tied down in Korea. I told you a year ago we could help you evacuate if that became necessary.

Field Marshal Slim: De Lattre said he wanted no such plan made.

General Bradley: We made plans of our own anyhow. We could help the French to evacuate civilians, but there is little more we could do. Evacuation would involve diverting a force for only a short time, and it would have to come from Korea. Any longer commitment would weaken our chances for a decision in Korea.

General Juin: My question applies only in the event of Communist aggression in Indochina. What we need is air cover for a limited time to protect our withdrawal to Haiphong. Right now our Government does not contemplate any further withdrawal.

Field Marshal Slim: I can sympathize with General Juin as to the critical situation in Indochina and his feeling of urgency. We have similar thoughts about Hong Kong. However, we can't help him any in this conference. The quickest answer will result from getting on with this study group. We can't make any decisions; we can only recommend after the *ad hoc* committee completes its study. Therefore, let's get on with the committee in Washington.

General Juin: But suppose the aggression happens in Indochina tomorrow? In that event, I am sure that the United States and the United Kingdom would not abandon us.

General Bradley: Then let's set up the committee, and since the French will have difficulty because of distances involved, let them provide the chairman and get the group together.

General Juin: I am willing to provide the chairman at the start, but I believe the position should be rotated.

General Bradley: I don't think they will be in session for long and see no point in rotating the chairmanship.

Field Marshal Slim: I should be quite content with a French chairman.

General Bradley: I think they should look into the means we might take to help under two conditions:

a. If there is a deterioration of the present situation in Indochina; and
b. If our Governments decide to take action against Chinese Communist aggression anywhere.

(At this point First Sea Lord McGrigor left the meeting.)

Air Chief Marshal Elliot: If it is the present situation we are going to study, it would be better to do it in Singapore. I think what we should study is what additional forces we might be able to throw at Communist China and what general measures we might take if there should be further Chinese aggression.

General Collins: We can't do anything more than we are doing to help the situation in Indochina as it is now. To my mind, what we should study is what we might do against further Chinese Communist aggression.

Field Marshal Slim: Then you mean that we should study only the one thing? The second part of our agenda today deals with the current situation in Indochina as did the talks in Singapore.

Air Chief Marshal Elliot: That is my thought. There are two problems involved:

a. Things which might possibly be done in Southeast Asia now. That is the second part of our agenda. Things that could be done on the spot.
b. Things which might be done if the war were extended. That part I thought we could study in Washington, and the results of it would have to be referred to Governments.

General Collins: Before any action is taken by the military I feel we must have some political background. We have that in Korea, but not in any other part of Asia. Therefore, the question is, if there is a new aggression, what do we do? Without a new aggression, we can do nothing unless there is a political decision.

General Vandenberg: I can't quite agree, and I am confused. I thought we agreed that we could do something against further aggression. It would be an ultimatum. The next question is what would we do if our ultimatum is challenged? Before passing a recommendation to our political leaders for an ultimatum, we must investigate what military forces we might have to back it up.

General Juin: That is what the group will study in Washington and then recommend to Governments. First we should recommend that such a statement be made, and in the meantime study what we might do to back it up.

Field Marshal Slim: The group should study what action we might take if there should be further Chinese aggression. The question of what we might do now to help the situation in Southeast Asia is the second part of today's agenda.

General Collins: I think the question of what might be done now is one to be resolved between the United States and the United Kingdom.

Admiral Fechteler: [9] I think we should stay out of political decisions. Let's talk of what we might do if and when the political leaders say to do it.

General Juin: At Singapore the question of further Chinese aggression was not discussed, so the problem must be studied on the basis of agreements we reach here at this meeting. What happens if the aggression should break out tomorrow?

General Bradley: That is for Governments to decide on the basis of recommendations from the military. This *ad hoc* committee should make a study upon which we might make our recommendations.

General Juin: But suppose it happens before the group finishes its study?

Field Marshal Slim: That is for Governments to decide. All this group can do is recommend to us. I see no quicker way to solve the problem. All we can do is hope that the Chinese don't jump before the group has finished its study.

(It was agreed that a representative group from among the participants at the conference would withdraw from the meeting and draft terms of reference for the *ad hoc* Committee.)

[Here follows discussion of intelligence exchanges, logistic requirements, and terms of reference for the proposed *ad hoc* Committee.]

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[9] Adm. William M. Fechteler, USN, Chief of Naval Operations.

Summary of Understandings

General Bradley: I propose that I now read a Summary of Understandings and Agreements which we have reached at this meeting as I understand them. I have noted that we have agreed that:

1. We would recommend to our respective Governments that they consider the issuance of a statement relative to the effects which will result from further aggression by the Chinese Communists. That is covered in paragraph 1 of the Terms of Reference; [10]
2. We have set up the *ad hoc* committee with representation of the Chiefs of Staff of the five countries listed in the Terms of Reference with the job to do as expressed in those Terms and that the committee is to meet in Washington with General Ely as chairman;
3. The U.S. personnel will attend as participating members rather than as observers in the Intelligence Conferences in Singapore and that arrangements would be made for the exchange of operational intelligence on Southeast Asia;
4. Steps will be taken to exchange information with the British in trying to plug the loopholes in the shipping situation in the Far East, and that the U.S. group would meet with the British with the object of arriving at facts in this matter;
5. The U.S. will not participate in the logistics base at Singapore but that the British will assist the French in that respect in every possible way; and finally
6. U.S. military aid to Indochina will continue to be supplied through the machinery of the MAAG in Saigon.

Agreement was expressed to the Understandings read by General Bradley with the following general comments:

General Juin: Insofar as the discussions on shipping are concerned, would it be possible for the French to participate at least in an observer status?

Air Chief Marshal Elliot: I am sure that the U.S. side will have no objection to us keeping General Ely [11] apprised of the developments in this regard.

General Juin: Could we not have a small permanent group continue on actions to be taken and the follow through on the recommendations of the Singapore Conference?

Field Marshal Slim: We would have no objection to that but it would appear to me that the liaison officers which we have down there could very well do that without the necessity of setting up a specific group.

General Bradley: We could not send anyone down there permanently to do that job. We have too many calls from all over the rest of the world.

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[10] Not found in Department of State files.

[11] Gen. Paul Ely, representative of France on the NATO Standing Group.

Field Marshal Slim: I would propose that we see what comes out of the committee which we have just established and take our departure from there.

General Juin: I am still seeking reassurance for Indochina, at least to the extent of attracting the attention of Governments to the seriousness of the situation if aggression by the Chinese Communists starts.

Field Marshal Slim: Rest assured that as a result of this meeting I shall inform my Defense Minister who, as you probably know, is also our Prime Minister of the facts of this situation. That shall be done without delay.

General Juin: I am looking for evidences of solidarity.

General Bradley: Rest assured also, that we will do the same. Please also rest assured that our Government has, and has had, the matter under continuing and intensive study.

At General Bradley's suggestion, one copy of the agreed Terms of Reference for the *ad hoc* committee was retained by a representative of the six nations participating in the conference. All remaining copies were placed on the conference table.

The meeting adjourned at 1800.

State–JCS Meetings, lot 61 D 417 [1]

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [2]

TOP SECRET [WASHINGTON,] January 16, 1952—11 a.m.

[Here follow a list of persons present (21) and discussion of U.S.-Spanish relations. General Collins and Admiral Fechteler, but not Generals Bradley and Vandenberg, were present. Deputy Under Secretary H. Freeman Matthews headed the Department of State group.]

Indochina

Mr. Nitze: [3] One of the principal questions on our minds is the question of how effective we could be if the general sanction became operative and we found ourselves in a state of war with Communist China.

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[1] Top secret records of meetings between representatives of the Department of State and the Joint Chiefs of Staff for the period 1951–1959 and selected problem files on the Middle East for the period 1954–1956, as maintained by the Executive Secretariat of the Department of State. Retired by S/S.

[2] A note on the title page reads: "State Draft. Not cleared with any of the participants."

[3] Paul H. Nitze, Director of the Policy Planning Staff.

General Collins: We have set up a committee to consider that question and related questions. We thought it was necessary to get a report from this committee before we reached any final views on the form and nature of a declaration.

Admiral Fechteler: General Juin tried his hardest to get a definite commitment out of us. He did not seem to understand that this was a governmental matter and that he could not be given a definite commitment. He spent most of one day trying to get us to give him definite and precise answers on matters which required a governmental decision.

General Collins: He wanted us to promise right now that if the Chinese Communists did such-and-such, we would do so-and-so. We told him that that required a political agreement first.

Mr. Lacy:[4] I believe you told him that this was being considered by the political leaders.

General Collins: Yes, that is correct. We told him that until this step had been taken all we could do would be to assist the French, if necessary, in evacuation.

Admiral Fechteler: I think that General Juin wanted to confront whatever government he found when he got home with a *fait accompli* of commitment from the U.S.

General Collins: The committee we have set up will consist of General Ely as chairman, Elliot, and Admiral Davis,[5] plus a representative of Australia-New Zealand.

Mr. Nitze: It seems to us that this problem requires a great deal of thought. If we could start our thinking about it at this time we feel that we would be in a better position to act when we receive the committee's report. We have a number of questions that we would like to take up with you. I take it that everyone is agreed on the premise that the loss of Indochina would be a most serious development. The first question I have is this: What are the chances that the French can hold if the Chinese Communists do not intervene directly with their own forces?

Admiral Fechteler: General Juin says categorically that they can hold unless the Chinese Communists intervene with their own forces.

General Collins: I believe he feels that if Chinese assistance was substantially increased the French might have to withdraw to the Haiphong area. This would enable them, in his judgment, to shorten their lines sufficiently to hold whatever the Viet Minh could throw against them. If they hold that area around Haiphong it would enable them to save the rest of Indochina. They could not hold there if the Chinese Communists came in in force. How long they could hold in these circumstances no one knows. I spoke to De Lattre some time ago about this and told him that in my judgment this was the key. He assured me at that time that he was going to do something about improving the defense of that area.

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[4] William S.B. Lacy, Director of the Office of Philippine and Southeast Asian Affairs.

[5] Vice Adm. Arthur C. Davis, U.S. Deputy Representative on the NATO Standing Group.

Mr. Matthews: If you do not hold around Haiphong do you lose the rest of Indochina?

Mr. Lacy: We had always so assumed.

Mr. Nitze: The second question I had in mind is to define what constitutes Chinese Communist intervention. I think we want to make that more precise than we have. If the Chinese Communists intervene with their own forces with the result that the French are killing Chinese Communists or taking some of them prisoners, that would certainly be a clear-cut case and would trigger the general sanction. If the Chinese Communists send over their air force that would also be a clear-cut act which would trigger this thing off. What is not clear, however, is how we should treat a stepping up of the volume of military assistance and training. Should such a development trigger the thing?

Admiral Fechteler: They are getting almost all of their supplies from the Chinese Communists right now. In my judgment it should not be triggered simply because they provide more assistance than they are now providing. I think we would have to wait until they were actually using their own forces.

General Collins: That is my view also. In this connection General Juin said that a mere increase in the volume of equipment might mean that the French would have to withdraw to the Haiphong area but would not mean that they would be driven out of the Haiphong area.

Mr. Allison: How would we react? Would we increase our aid?

General Collins: I am not sure about that. Indochina now has top priority after Korea. I don't think we can step up our assistance without diverting shipments from other areas. Juin pointed out that a withdrawal to the Haiphong area would free some of his forces for use in the south.

I asked Juin specifically whether he would favor a use of Chinese Nationalists and he replied that he would not.

Mr. Matthews: I assume he fears that this would be provocative.

General Collins: Yes.

Mr. Lacy: Did he not, however, agree with Slim that a large-scale intervention of Chinese Communists would justify the use of Chinese Nationalists?

General Collins: I don't think he did. He kept reiterating that Chinese Communist intervention in strength would mean that the

French would be driven out. There simply wouldn't be time to bring the Nationalists to bear in Indochina even if there were no objections to using them. It takes time to move forces that distance.

Mr. Lacy: I had assumed that Slim was referring to the possibility of using the Nationalists elsewhere in Indochina.

General Collins: My memory is not good on this point.

Mr. Matthews: Another question that worries us is the timing of a declaration. If we have not obtained an armistice in Korea and if we make a warning of the type we are considering, I think it may be difficult to explain here at home why we are prepared to take this action in the event of an attack on Indochina when we have not been willing to take it in the Korean area.

General Collins: I now have the notes on the point which Mr. Lacy raised. I might read the minutes on this point. According to the minutes General Juin said he would be prepared to introduce Nationalists into China in the case of Chinese Communist aggression in Indochina. Slim opposed this—he did not favor this, on the contrary, he opposed it—on the ground that it would solidify the Chinese Communist position and harden their resistance. In this connection he asked how dependable the Chinese Nationalists are. At that point I replied that I thought it all depended on their prospects of success. Frankly I was sceptical of their dependability. The minutes seem to show, therefore, that Slim was not in favor of this but opposed to it.

General Bradley recently had a discussion with Mr. Bullitt [6] after his return from Formosa. He said that he saw an excellent amphibious exercise by the Chinese Nationalist forces. Personally, I am highly sceptical. The one I saw was high school stuff. One of the things I was interested in was the artillery—whether it could re-direct its fire. I was told that they would not dare to call for such an action by their artillery.

Mr. Matthews: Returning to the question of timing, do you visualize the issuance of this declaration before a Korean armistice?

General Collins: General Juin wants it yesterday. As far as I am concerned, I am reluctant to consider the matter until our committee has reported. It is my own personal view at this moment that the Chinese Communists will not move into Indochina while the Korean war is going on.

Mr. Nitze: As to the problem Mr. Matthews has raised, I think it would be necessary for us, and possible for us, to argue the matter quite differently in the two cases. If the Korean war is still going on, the argument would be that the Chinese Communists were responsible for generalizing aggressive action in the Far East and this decision on their part required us to deal with the problem generally. If, however, an armistice has been obtained in Korea, the argument would have to be based on the Indochinese situation in the light of the fact that we had obtained an armistice in Korea. In the second case, what do you think would happen to the Korean armistice if we started action against South China? Would the Korean armistice fall?

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[6] Retired Ambassador William C. Bullitt had visited a number of Asian countries in the last months of 1951.

General Collins: It would certainly be in our interest to preserve it. We would be called upon to aid the French in Indochina. We are stretched thin right now. I recognize that the action we would be called upon to take would be largely naval and air action but even in those fields our capabilities are limited. I would be strongly opposed to putting ground forces into Indochina.

Admiral Fechteler: Juin did not ask for that.

Mr. Matthews: Even if large numbers of Chinese come in?

General Collins: He would like it, but he did not ask for it.

Mr. Nitze: Do you have the necessary bases for air and naval action?

General Twining: [7] We could operate from Formosa.

General Collins: We would not be able to give any fighter-bomber support from Formosa. We would be limited to medium bombers.

Admiral Fechteler: —and carrier-based aircraft.

Mr. Matthews: Are there any jet fields in Indochina?

Mr. Nitze: I believe there is one near Saigon.

General Twining: I am not sure.

General Lee: [8] The most important work we could do, I think, would be to interfere with their railroads and to lay mines to interfere with their sea-borne movements.

Mr. Matthews: This would have to be done, would it not, by unescorted craft?

Admiral Fechteler: Some carrier support could be provided. Another factor to bear in mind is that four of our six Pacific carriers are in the Korean area now. If we were to divert any to support operations in Indochina they would have to be diverted from Korea.

Mr. Matthews: Do you expect to have any more carriers in the Pacific soon?

Admiral Fechteler: They could only be obtained from the Atlantic and Mediterranean theaters.

Mr. Matthews: Are there any new ones coming out of the mothball fleet?

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[7] Gen. Nathan F. Twining, Vice Chief of Staff, U.S. Air Force.

[8] Maj. Gen. Robert M. Lee, Director of Plans, U.S. Air Force.

Admiral Fechteler: We have only got twelve at present and we would like to divide them six and six between the Atlantic and the Pacific. I suppose we could go to eight and four.

General Collins: I tried to pin Slim down on how seriously the loss of Indochina would affect the defense of Malaya. He thought it would still be possible to defend Malaya. Of course that conflicts with De Lattre's views. He thought that if Indochina fell, all the rest of Southeast Asia would fall almost automatically.

Mr. Matthews: It would be politically harder to defend Malaya. All the Chinese fence-sitters would show up on the Communist side.

General Collins: Even if we assume the loss of Indochina, Siam and Burma, what would the Communists get out of it? The only thing I see is some rice. They couldn't even get that out overland and we could prevent their removal of it by sea by a naval blockade. In order to prevent their profiting we get right back to the blockade question. I am speaking, of course, of physical losses, not psychological losses.

Mr. Nitze: But we on our side would have lost two and a half million tons of rice. Japan, India, Indonesia and Malaya are all rice deficit areas.

General Collins: That is true. We would still hold Malayan rubber and tin.

Mr. Lacy: It would be difficult to hold Malaya and Indonesia. The people in those countries would have very weak knees.

Mr. Nitze: Although we got the impression from our own discussions that it would be easier to defend the Kra Isthmus than the Haiphong area, we also got the impression that the additional military requirements to defend Haiphong would not be great. I guess we would have to build some new airfields.

General Collins: The U.K. can hold Malaya either at the Kra Isthmus or where they are right now.

Mr. Nitze: But this would involve, I take it, a military effort almost as great as the effort to hold Indochina.

Admiral Fechteler: The U.K. would certainly hold at some point on the peninsula because of the great economic value of Malaya.

General Collins: Templer,[9] the man they are sending out there is a very able fellow. In my judgment he is the best man in the British Army. Slim has even told me that he hopes Templer will succeed him as Chief of Staff.

Mr. Nitze: I find that I was wrong about that rice figure. It is not two and a half million tons, but 3.1 million tons.

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[9] Gen. Sir Gerald Templer, High Commissioner for the Federation of Malaya.

General Collins: There is no doubt about its importance. I think even the Philippines are getting some rice from this area. They could raise enough to meet their needs but they haven't done so for a long time.

Mr. Lacy: That is true of the Philippines but I do not think it is true of Malaya, India, Indonesia, and Japan.

General Collins: Does India get rice from Burma?

Mr. Lacy: Yes.

General Collins: Perhaps we could get Mr. Nehru [10] interested in security on that basis.

Mr. Nitze: I think the rest of the questions we had related to war with Communist China.

General Collins: I am not at all sure what we could do to assist if the Korean war is still on. If we should shift any forces to Indochina, assuming that an armistice had been obtained, we would make ourselves vulnerable in Korea and they might start something all over again in Korea. I am not at all optimistic about what we can do to help.

Mr. Matthews: And even if we went all out against Communist China I do not suppose we could prevent the loss of Indochina.

General Collins: I am not so sure about that. I think we could make it very difficult for the Chinese to supply their forces in Indochina by bombing the one railroad line between the two countries. I might also point out that there is an area about half way down the coast where the French hold a lateral road across the country. There are communists to the north and south of this line. However, if they pulled out of Haiphong and consolidated their forces in this middle area, they could still hold the great rice-producing area in the south. It would be a difficult operation but not an impossible one, especially if we provided some air support.

Mr. Allison: In any event it is clear that we would find ourselves in an extremely difficult situation if the communists intervened. In my judgment, the only way to deter them from this course is to make a warning.

Admiral Fechteler: But I think we have to look a good deal farther ahead than that. If we issue our warning and have nothing in our hip pocket to back it up, then we are really up a creek.

Mr. Allison: But in those circumstances we could, I assume, step up our production here at home, provided we got the agreement of all necessary people here.

General Collins: I wouldn't count on that. We are not getting our scheduled production now and we won't get very much more under any circumstances. We certainly will not get much more unless we cut civilian economy back quite a ways.

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[10] Jawaharlal Nehru, Indian Prime Minister and Minister of External Affairs and Commonwealth Relations.

Admiral Fechteler: Has there been any reaction yet to Mr. Eden's statement in his Columbia speech [11] the other day?

Mr. Lacy: Yes, there has. On the whole it has been favorable.

Mr. Allison: Of course Mr. Eden did not say much when you analyze his remarks.

Admiral Fechteler: It was the reaction out in the Far East which interested me.

Mr. Lacy: There hasn't been time to take a reading on this yet.

Mr. Bohlen: [12] There has been increasing propaganda by the communists on Southeast Asia. Late in December you will remember there were charges that we were transporting Chinese Nationalists into the area for aggressive purposes. Then Vishinsky [13] picked this up in the UN. *Izvestia* has just recently begun to emphasize the aggressive plans of the U.S. in this area. Of course we don't know what all this means. It is possible that the communists believe their own propaganda. It may mean that they are preparing to move against the area or it may only be a continuation of the war of nerves. It is worth noting, however, that the communist press is stressing Southeast Asia at this time.

I would like to clarify one point. Would an increase in Chinese supplies to the Indochinese force the French out of the Haiphong area?

General Collins: No. That was not the impression that General Juin gave us.

Mr. Bohlen: I think we can distinguish between three situations. The first and easiest one to deal with politically is overt intervention by the Chinese Communists. The second, and the one that is really serious in my judgment, is what might be called infiltration by the Chinese Communists. The third one is a stepping up of supplies by the Chinese Communists—on the whole I think that could be managed if we could provide somewhat larger assistance to Indochina. I think the one to worry about is the second one—infiltration—for I think that is the one we are most likely to face. They might provide some air and some "volunteer" forces without intervening so directly as to call our general sanction into play. Our warning should be directed against this course if possible. The problem is how to convey this to these people. It will be difficult to convince them that a development by degrees would bring us into the war. At least it would be difficult to do this without over-convincing them to the point that they think we are planning to declare war. It will be very difficult to make clear precisely what we mean.

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[11] In the course of his speech delivered at Columbia University on Jan. 11, Eden had referred to the conflicts in Indochina and Malaya. He had continued: "These positions must be held. It should be understood that the intervention by force by Chinese Communists in Southeast Asia—even if they were called volunteers—would create a situation no less menacing than that which the United Nations faced in Korea. In any such event the United Nations should be equally solid to resist it." Full text of the speech is printed in the *New York Times* of Jan. 12.

[12] Charles E. Bohlen, Counselor of the Department of State.

[13] Andrey Yanuaryevich Vyshinsky, Minister of Foreign Affairs of the Soviet Union.

General Collins: One of the questions on my mind is the importance which the British attach to the retention of Hong Kong as against defending their position in Southeast Asia. I asked Slim about this. I think we have to face the fact that any move such as the bombing of China would mean the loss of Hong Kong. It is impossible to defend Hong Kong. I have never been able to get the British to really address themselves to the question of the relative value of the two positions.

Admiral Fechteler: I got the impression that Malaya is regarded by them as of overriding importance. In my own view, one of the important features of the Hong Kong situation is that the Chinese Communists themselves are not anxious for Hong Kong to fall.

Mr. Bohlen: I don't think it is really a question of Hong Kong versus Malaya. I think it is Malaya versus Indochina. The British may think they can hold both Malaya and Hong Kong, even if Indochina falls.

General Collins: However, it was Slim who strongly urged us to do more in Indochina.

Mr. Lacy: He was the first to mention the possiblity of a declaration.

Mr. Nitze: I really wonder whether we can reach a definite conclusion on this matter unless we are willing to face the question of war with the Soviet Union. We might find ourselves in a train of circumstances that led straight to that.

Admiral Fechteler: From the naval point of view, we would have to divert ships from the Atlantic to the Pacific.

General Collins: Of course you could expand rather quickly from your mothball fleet.

General Lee: The Chinese Communists are building two fields which will accomodate jets. One of them is near Formosa.

General Collins: That one would be too far away to be of any use in the Indochina field.

General Twining: It is my view that we are going to be in bad trouble if we get involved down there in Indochina. I think it would require us to review, re-schedule and re-plan everything.

Admiral Fechteler: I am not at all sure that if the Chinese Communists move into Indochina we want to bring force to bear on them in Indochina. I think we may want to hit Shanghai, Tsingtao, and such places.

General Collins: That is general war with Communist China, which is a political question as well as a military question.

Mr. Nitze: Our political position, however, relates to our military position.

Mr. Bohlen: I think we may get into something of a "chicken and egg" situation here. On the top political side in the NSC we are waiting for a military judgment whereas you have told General Juin that you are waiting on a political judgment. I think the issue we have to face is the issue whether Indochina is worth the risk of general war with Communist China and the further implications of general war with Communist China. We could get a picture of the world situation on two assumptions, the first being the loss of Southeast Asia and the second being a state of war with Communist China.

Mr. Nitze: I think we should also estimate the chances that our deterrents would work, provided we are willing to carry a war to the Chinese Communists and, if necessary, to the Soviet Union.

Mr. Bohlen: We wouldn't have any deterrent unless we really meant it.

General Collins: What does State think about the treaty between Soviet Russia and Communist China?

Mr. Bohlen: It is still our judgment that neither one wants war at this time. In many ways Indochina is a situation which the Communists like to have because there are three layers of responsibility: first, the Viet Minh, second the Chinese Communists, and last, the Soviet Union. I think that the advantages and disadvantages of a political state of war are not altogether dependent upon what we may be able to do militarily. It might be advantageous to put ourselves in that position even if we could not do much about it for some time.

Admiral Fechteler: I hate like the devil to declare war on someone and then to sit around for six months without doing anything.

General Collins: I think this is all related to the danger of war with the Soviet Union in Europe. It is not my desire to pass the ball back to State or anyone else but if somebody could tell us that we are willing to accept the risks of war with Communist China and that this risk will not lead to war with the Soviet Union, my own answer as to what we should do would be radically affected. In those circumstances I think we could do a great deal to injure Communist China.

Admiral Fechteler: What is the question that we are really talking about? Is it the question whether it is sound to make a political commitment involving military action which at the moment of the political commitment is beyond the capability of the military to back up? Is that the question?

Mr. Bohlen: We have not acted on that basis in the past as NATO demonstrates. In fact I think we would never make political commitments in time of peace if we had to wait for the development of the necessary military capabilities to back them up. The U.K. and France gave a political commitment to Poland and the important thing was not whether they had the military capabilities to back it up but the fact that the Germans should have known that some day sooner or later the political commitment would be backed up. Another aspect of this problem is that if we lose Southeast Asia we have, in my judgment, lost the cold war. In that case we would be headed for war with the Soviet Union sooner or later.

General Collins: Do you think that statement holds even if Malaya can be defended?

Mr. Bohlen: I think it is highly doubtful that Malaya could be held because of political and psychological reactions due to the loss of Southeast Asia. The number of guerrillas will probably increase by geometric proportions. Right now there are six or seven thousand guerrillas and it takes the best British general and 60 to 70 thousand British forces to deal with them.

General Collins: I don't think larger guerrilla forces could be supplied either by land or sea.

Mr. Bohlen: Well, we could divide the problem into two parts. We could look first at the loss of Southeast Asia except for Malaya, and secondly, the loss of Southeast Asia including Malaya. In the second case it seems to me we would have lost the cold war.

General Collins: All of this comes down, in my mind, to the threat of Soviet action. If there is a real threat from the Soviet Union we do not, in my judgment, have the capability of making war on Communist China. We simply do not have what it takes to defend Western Europe and to do this at the same time.

Admiral Fechteler: There is a possibility and, in my mind, a good one that the Soviet Union would think it was just fine if we went to war with the Chinese Communists.

Mr. Nitze: Another thing to look at is the willingness of this country to provide aid to Western Europe if we are at war with Communist China. There would be many people who would think that we ought to put first things first and would think it was time for the Europeans to help us rather than vice versa.

General Collins: If we become involved in a war with China we should get out of Korea and the [14] off-shore islands right away and when we have done that we could proceed to bomb China.

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[14] The source text bears the handprinted interpolation "back on" between the words "and" and "the".

Mr. Bohlen: Of course this would change our whole mobilization effort.

General Collins: It is not doing it now.

Mr. Bohlen: As to the question whether the Soviet Union would go to war because we were attacking China, I might say a few words. The treaty of course relates to defense against aggressive action by Japan. The Soviets could claim that Japan was involved or not as they chose. They are not bound to come to China's defense under any and all circumstances. I think geography would have a great deal to do with it. I interpret Soviet behavior as being directed to an effort to push the Chinese Communists south and to establish the primacy of the Soviet Union in northern Asia. Stalin's message to the Japanese people was designed as much for Chinese ears as for Japanese ears. I think a great deal would depend on whether we were striking Manchuria. In that event I think we would enhance the possibility that the Soviet Union would react. If we were striking in the south, we would enhance the chance that the Soviet Union would not react.

On the question whether China would be weakened, it is important to remember that Stalin thinks it is a fiction that involvement in war weakens a country. On the contrary, he believes that only when a country is in war does it pull itself together and build strength. For that reason I do not think he would like to see the U.S. at war with Communist China. He knows we would grow in strength.

Some time later this spring we are planning to take a commitment to defend Greece. One question we might ask ourselves is whether Southeast Asia is as important or more important than Greece. Militarily the situation is more or less the same in that we cannot really defend either area. Is not Southeast Asia equally worth the risk of general war?

General Collins: I doubt it. In the event of general war we are not going to try to retake Indochina. We will be conducting a strategic defense in the Pacific. It was proved in the last war that if we take care of Western Europe first, then we can take care of our difficulties in the Pacific more easily. Holding Western Europe, in my opinion, is infinitely more important than holding Indochina or Southeast Asia.

Mr. Bohlen: If the French forces are thrown out of Indochina, the repercussions in Africa will be very tough. In fact this is one of the toughest problems I have had to deal with for either course presents frightful disadvantages.

Mr. Lacy: I think the loss of Southeast Asia would seriously prejudice our ability to back up our commitments to Australia, New Zealand and the Philippines.

General Collins: I don't think it would affect our ability to defend them.

Admiral Fechteler: I think we could do that with the Australian Navy.

General Collins: The one place we have got to hold is Japan.

Mr. Bohlen: How much of Japan's trade is with Southeast Asia?

Mr. Nitze: About 25%.

Mr. Lacy: The transmission of the declaration might do the trick and I don't think it need involve us in commitments.

Admiral Fechteler: This is a new thing to me, to make a political declaration and then not do anything about it.

Mr. Bohlen: One of the mistakes that dictators have made and that they almost always make is to misjudge the political determination of their opponents. They do not err in their judgment of the opposing military capabilities but they have been altogether wrong in their judgment of whether their victims would have the political will to resist. If we continue to go on the calculation that the Soviet Union is not desirous of general war, there might be a very good reason for making this declaration.

General Collins: On balance, I think I favor a declaration, whether or not we can implement it. If we do not make it we will lose Southeast Asia anyway. If we do make it, we may save Southeast Asia and even if we do not, what have we lost by making it?

Admiral Fechteler: If we make a declaration and if the Chinese Communists come into Indochina, we could do something about it by deploying forces from the Atlantic and Mediterranean theaters. What would be the political effect of markedly weakening our strength in the West in order to shoot up Communist China?

Mr. Bohlen: It would be terrible.

General Collins: But my question is, what do we lose even if we don't back up the declaration?

Mr. Lacy: If it were made privately I do not think we would lose much prestige. We have been considering whether or not it ought to be private.

Mr. Nitze: I would have most serious reservations about that view.

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State-Joint Chiefs of Staff Meeting [1]

[Extract]

TOP SECRET [WASHINGTON,] January 23, 1952—11 a. m.

. . . .

General Vandenberg inquired as to the State Department's feeling about Indochina.

Mr. Matthews said it was not happy.

General Vandenberg asked whether it was proposed to stand-by and do nothing in event that the Chinese Communists should come in or whether some solution of the problem was in mind?

Mr. Matthews and Mr. Nitze said the State Department was waiting on what Admiral Davis and his working party would come up with as an estimate of what might be done.

Mr. Bohlen remarked that this was a chicken-and-egg problem, as the Joint Chiefs of Staff were waiting for a clarification of policy before making up their mind about military aspects, while the rest of the Government was awaiting an estimate of military capabilities before deciding on policy.

General Vandenberg emphasized the necessity of deciding whether this was primarily a political or a military problem.

Mr. Matthews remarked that it was essentially both and that as to issuing a warning to deter the Chinese, it was necessary to know what could be done before deciding what was to be done.

General Vandenberg said it was essential to know whether the State Department believed a warning should or should not be given to the Chinese Communists as a step to deter them in Indochina.

Mr. Matthews said such a warning should be given, but not unless we were ready to back it up by action if the warning should be disregarded.

Mr. Nitze emphasized the interrelation of military and political factors, saying certainly the United States wanted to issue a warning to get the Chinese to cease and desist in Indochina, but it also wanted to do this without incurring the risk of general war and without using the atomic weapons, and the question therefore was both political and military in essentials.

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

All the members of the Joint Chiefs of Staff attended. Matthews headed the Department of State group. A total of 22 persons were present.

General Vandenberg remarked that it would be up to the State Department to estimate the effectiveness of a warning as a deterrent to the Chinese Communists.

General Bradley remarked that this was both a political and a military matter, and Mr. Nitze said that it was a problem for joint estimate.

Mr. Matthews and Mr. Nitze gave an affirmative opinion in response to General Vandenberg's question whether it was thought that the British would go along with us in such warning.

In answer to General Vandenberg's question regarding the prospect of Congressional support of the Executive in such undertaking, Mr. Nitze said that he believed such support would be forthcoming if State and Defense presented a joint position on the matter.

In answer to General Vandenberg's remark that this was primarily up to the State Department, Mr. Nitze said that it would require both State and Defense, that State would need Defense collaboration in explaining the situation to the Congress, as the Armed Services Committees as well as the Committees on Foreign Relations and Foreign Affairs would feel a primary and vital concern.

Mr. Matthews asked as to the military estimate of the imminence of Chinese interposition in Indochina.

General Bradley observed that the Chinese "keep building up".

General Vandenberg said that it was likely to come some Sunday morning—too late for a warning to do any good.

. . . .

790.5/2-752

Memorandum by the United States Member of the Five-Power Ad Hoc Committee on Southeast Asia (Davis) to the Joint Chiefs of Staff[1]

TOP SECRET [WASHINGTON,] February 5, 1952.

Subject: Report of the Five Power *Ad Hoc* Committee on Southeast Asia.

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[1] Transmitted to the Department of State under a covering memorandum of Feb. 7 from Admiral Lalor to H. Freeman Matthews, Deputy Under Secretary of State. The memorandum reads: "Pursuant to a request by General Bradley, as a result of his conversation yesterday with the Secretary of State, there are enclosed herewith for the information and use by the Secretary of State in possible conversations in connection with the Lisbon meeting, three copies of the subject report."

The Ninth Session of the North Atlantic Council and tripartite meetings of the Foreign Ministers of France (Robert Schuman), the United Kingdom (Anthony Eden), and the United States took place concurrently in Lisbon beginning Feb. 20.

Continued

References:

a. My memorandum of 29 January 1952

b. SM-309-52 of 30 January 1952 [2]

1. The attached report of the Five Power *Ad Hoc* Committee on Southeast Asia, Dated 5 February 1952, contains differences in fundamental viewpoints which I am satisfied could not have been reconciled by any further negotiation or discussion on the *Ad Hoc* Committee level.

2. The following condensation is derived from analysis of the report in combination with discussion during *Ad Hoc* Committee meetings:

a. The position of the United States member is consistent with your guidance and with the terms of reference [3] of the *Ad Hoc* Committee;

b. The position of the British and French members is in opposition to blockade of China. They are also opposed to bombing of China except in connection with direct support operations close to the border where Chinese aggression might occur;

c. The French position is motivated primarily by the wish to forestall diversion of forces from direct support of Indochina operations;

d. The British position, more definitely expressed than that of the French, is motivated primarily by determination to avoid any action that might unduly irritate Communist China or the USSR; and

e. These French and British positions are, in general, rationalized by their assumptions that blockade and bombing would be both impracticable and ineffective.

3. The foregoing may be restated to the effect that the French want all the help and commitments they can get in connection with their immediate Indochina problem and that the British position remains that of holding Hong Kong and Indochina if possible while avoiding any action of consequence against Communist China itself.

4. It seems to me that the underlying difficulty is refusal on the part of the *Ad Hoc* Committee as a whole to recognize that their task is simply an initial step in determining what to do about the Southeast Asia problem and is clearly hypothetical. This is evident

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In telegram Secto 95 from Lisbon, Feb. 26, the Secretary reported: "Eden in tripartite mtg this afternoon raised question of Indochina. Commented on divergence of milit views. We indicated US making thorough review which from the milit point of view shld be completed within a month, and wld take another month of interdepartmental and other consultation. At end of that time, we might be ready to talk further." (740.5/2-2652)

For a report of this tripartite meeting, see vol. v, Part 1, p. 167.

[2] Neither found in Department of State files.

[3] Not found in Department of State files.

from the fact that the British and French are unwilling to meet the terms of reference, which, in essence, require recommendations as to what *might* be done *if* retaliatory action were to be taken. Instead, they undertake to decide that real retaliatory action should not be undertaken and that military measures should, in effect, be limited to defensive action.

5. The point, however, is that we are about where we started, except for clarification of basic differences. It is my impression that the U.S. Joint Chiefs of Staff are not inclined to go along with recommending a warning with respect to "further acts of aggression" without prior firm agreement that, if such a warning were disregarded, actual retaliatory action would have the concurrence and participation of the other interested nations. I am satisfied that the British and French viewpoints, as shown in the *Ad Hoc* Committee report and amplified above, are primarily national, so that I doubt if our own views would be supported on their political levels even if supported by the British and French members of the *Ad Hoc* Committee.

6. The foregoing raises the question of consistency as between issuing of a warning, if there is a Korean armistice, without prior international agreement as to what military measures might be taken if that warning were disregarded, and insistence upon such an agreement before issuing a Southeast Asia warning. I do not know the answer to this.

7. In any event, strong efforts will continue to be made to commit us to complete direct support, as distinguished from retaliatory action in Southeast Asia. In fact, it might be said that there was considerable disposition to regard the *Ad Hoc* Committee task as a vehicle for this objective.

8. In the latter connection, both the British and French made repeated objection in the *Ad Hoc* Committee to our position against commitment of troops and the basing of air units ashore. They wished the statements weakened, obviously in the hope that this could be the basis for more effective pressure on these points hereafter. I am sure this pressure will continue in any case.

9. Another point of importance is that the British and French are determined to persist in their desire to set up a form of combined command in the Southeast Asia area. In the *Ad Hoc* Committee report this intention is toned down and, as will be noted, I have safeguarded our own position, but the original draft on this point as proposed by the British, together with attendant discussion, indicates that they think any direct support operations by us should come under the French in Indochina and under the British in Hong Kong. Whether or not this could be shown to be theoretically correct, it seems to me that, taking the British and French posi-

tions as a whole, they would like not only to determine what we shall do with our own forces in the event of our taking military action with respect to the Southeast Asia problem, but also to command our forces while these limited actions are being taken.

10. It is of interest to note that the New Zealand representative was present only as an observer and that the Australian representative was relatively open-minded and cooperative.

11. A final point, which I think requires consideration at once, is that the British and French representatives are recommending individually that the report of the *Ad Hoc* Committee be considered by the Chiefs of Staffs of the several nations in Lisbon during, but separate from, the forthcoming NATO meetings. I pointed out that the U.S. Joint Chiefs of Staff are not scheduled to be in Lisbon. I expect that the British and French will persist on the basis that General Bradley can, of course, represent the U.S. Joint Chiefs of Staff. My opinion, for what it may be worth, is that consideration in Lisbon would be premature, for it appears that it is now time for us to firm up some sort of Defense-State position before engaging in further argument on the strictly military level. That is, I think the British and French already have firm politico-military positions and I believe that this is not the case as far as we are concerned.

12. In light of all of the foregoing I recommend that the Joint Chiefs of Staff:

a. Make decision with respect to the Lisbon meeting discussed in the last preceding paragraph;

b. Take steps to firm up a Defense-State position regarding the Southeast Asia problem;

c. Note the attached report of the Five Power *Ad Hoc* Committee on Southeast Asia;

d. Approve and support paragraphs 30, 31, and 32 of the report as the U.S. Joint Chiefs of Staff position;

e. Agree to take no unilateral action against Communist China, other than as provided in General Ridgway's current instructions;[4]

f. Consider limiting United States military action to assistance in evacuation if the U.S. Joint Chiefs of Staff position remains unsupported by the British and French; and

g. Give serious consideration to our entire Far East position in relation to global problems, with a view to the possible desirability of some adjustment in emphasis.

A. C. DAVIS
Vice Admiral, USN

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[4] Gen. Matthew B. Ridgway, Supreme Commander Allied Powers (SCAP); Commander in Chief, United Nations Command (CINCUNC); and Commander in Chief, Far East (CINCFE).

For documentation on General Ridgway's role as CINCUNC, see volume XV.

[Enclosure]

TOP SECRET [WASHINGTON,] 5 February 1952.

REPORT BY THE AD HOC COMMITTEE ON SOUTH EAST ASIA TO THE CHIEFS OF STAFF OF

Australia [5]
France
New Zealand [6]
United Kingdom
United States of America

We are sending you herewith the report of the *Ad Hoc* Committee on the defense of South East Asia. This report is drawn up according to the terms of reference which were agreed by the Chiefs of Staff or their representatives at their meeting in Washington on 11 January 1952.

AIR VICE MARSHAL F. R. W. SCHERGER
Australia

GENERAL DE CORPS D'ARMEE P. E. ELY
France

AIR COMMODORE J. L. FINDLAY (observer)
New Zealand

AIR CHIEF MARSHAL SIR WILLIAM ELLIOT
United Kingdom

[VICE] ADMIRAL A. C. DAVIS
United States of America

[Subenclosure]

TOP SECRET [WASHINGTON,] 5 February 1952.

SOUTH EAST ASIA

REPORT OF AD HOC COMMITTEE

I. Study of Possible Military Measures Against Further Chinese Communist Aggression

Background

1. Representatives of the Chiefs of Staff of the United States, United Kingdom and France are considering recommending to their respective Governments that a warning should be given to

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[5] Lt. Gen. S.F. Rowell.

[6] Maj. Gen. K.L. Strout.

the Chinese Communists to the effect that a further act of aggression will result in strong retaliation, not necessarily limited to the area of the aggression. In order to study the military force available to back up such a warning, an *Ad Hoc* Committee was appointed. Australia and New Zealand were invited to representation on this committee—Australia accepted as a participating member; New Zealand as an observer.

Assumption

2. For the purposes of our study, we have assumed that, as a result of a political decision, a warning in the above terms has been given.

3. It is further assumed that the warning has been disregarded and a further act of aggression has taken place in any non-Communist area contiguous to China.

4. Active aggression may come in any degree from an increase in infiltration to a full scale onslaught We are not competent to define an act of aggression. Any decision for such definition would ultimately rest with Governments.

The Problem

5. To:

a. Determine the collective capabilities of the nations represented on the Committee which could be made available for retaliation;
b. Make recommendations for eventual transmission to Governments through the respective Chiefs of Staff as to what specific military measures might be taken as a collective effort against the Chinese Communists, not only in threatened areas but also directly against China.

The solution of this problem entails beforehand the definition on fundamentals of the overall allied objectives, which are to limit further aggression and must make any aggression which has already been launched as difficult, painful and unprofitable as the combined resources of the Western Powers permit.

Guidance From Chiefs of Staffs

6. It was decided that in studying the problem generally, the following factors should also be considered:

a. The possibility of Chinese attacks anywhere on the South East Asia periphery;
b. The possibility of a global redeployment of forces, account being taken of the world situation;
c. The use of Chinese Nationalist forces;
d. The employment of sea and air bases, including Formosa.

Considerations Governing Achievement of Allied Objectives

7. The Allied objectives should be considered in the light of the possibilities of:

a. Holding those bases presently occupied, which control the opening of China towards South East Asia, in order to oppose Communist expansion;

b. Avoiding deep inland ground actions, and

c. Reducing the offensive capability of Communist China through:

(1) Air actions applied to the Chinese territory as a whole;
(2) Establishment of a blockade on the Chinese coast.

[Here follow all of sections II, "Aspects of the Problem", and III, "Detailed Consideration of Indo-China", and a detailed exploration of alternatives in section IV, "Possible Action Against China". Paragraphs 26–33 below conclude the latter section.]

Conclusion of Possible Action Against China

26. We conclude that, whether or not bombing or blockade of China would in the long term force the withdrawal of the Chinese Communist Armies back within their own frontier, or alternatively cause the overthrow of the Chinese Communist Government, there is little doubt that such action alone would probably not prevent the forced evacuation of Tonkin or Hong Kong, if attacked, or deny access to South East Asia to the Chinese Communists.

Conclusions on the Short-Term Aspect of the Problem

27. Indo-China is the most likely area of Chinese aggression. Considerable Chinese forces are known to be massed in South China, and can be capable of attacking it alone, or in conjunction with a new assault in Korea.

28. We have considered the possibilities of rendering direct aid to the French forces in Indo-China in the event of a full scale Chinese attack. If allied action were confined within the borders of Indo-China, the resources of the Western Powers presently available would make such aid insufficient to ensure the retention of the Tonkin Delta by the French.

29. We have therefore considered action directly against China, not confined to the area of aggression.

The actions which might be undertaken are as follows:

a. A naval blockade in conjunction with an embargo.

b. Operations against Communist China by Chinese Nationalist forces if and when they are adequately equipped and trained.

c. Assistance to anti-Communist Chinese guerilla forces in China.

d. Assistance to the British in the evacuation of Hong Kong, if required.

e. Assistance to the French in the evacuation of Haiphong, if required.

f. Air operations against China proper south of the Yellow River with the objective of creating the maximum drain on the USSR and China with the minimum loss to Western forces.

All these actions incur the risk of general war with China, dependent only upon the Chinese reaction aroused. Further, the extension of the conflict into global war would be dependent only upon the decision of the USSR.

30. But if further Chinese aggression occurred in disregard of an issued warning, such a warning should be implemented.

The military action we might take should be designed to have a significant adverse effect on Communist China's war making capability. It must limit further aggression and must make any aggression which has already been launched as difficult, painful and unprofitable as the combined resources of the Western Powers permit.

31. We conclude that the following specific military measures might be taken as a collective effort against the Chinese Communists not only in threatened areas but also directly against China:

a. Control the air over threatened areas including attack at the source of the threat.

b. Isolate the battlefields wherein aggression is being fought, including interdiction of routes of communication in China proper.

c. Direct air support of ground troops in threatened areas.

d. Evacuation where necessary.

e. Blockade of China coast.

32. a. We conclude that any of the actions contemplated above might lead to extension of the action as necessary for the security of our own forces or to combat aggressive actions in other areas contiguous to China. All actions run the risk of incurring further aggressive actions in other areas even extending to general war with China. The extension of these actions into global conflict will be wholly dependent upon the reaction incited in the USSR.

b. The above conclusions as to the collective forces that could be made available for retaliation, and as to the specific military measures that might be taken as a collective effort against the Chinese Communists, are presented as an informational basis upon which political decisions with regard to the issue of a warning to Communist China might be made.

c. The limited forces available with which to undertake operations of the scope necessary to constitute strong retaliation and to achieve overall success against Communism in the Far East, together with the risk of world-wide repercussions as a result of the actions considered, would indicate that the gravity of the situation might warrant further consideration of the global aspects of the entire Asian problem.

33. The above are, in the main, the agreed conclusions (paragraphs 27 through 32). However, the British wish certain comments to be recorded. These are:

a. *Paragraph 29*

The object of any action against China is not revenge for her evil doing but to prevent independent countries on her borders from falling to Chinese Communism. The object therefore should be to limit action against China. Moreover, it is to our general advantage to avoid unlimited war with China since it would entail deployment of forces to the Far East, where they would be misplaced in the event of war with China leading to global war.

b. *Paragraphs 29 a and 31 e.*

For the reasons stated in paragraph 21, the British do not think that a blockade against China would have any marked effect even in the long-term and that possible repercussions would be unacceptably serious.

c. *Paragraph 31 a.*

While the British agree with the isolation of any battlefield from its immediate source of supply within China, they feel that attacks carried to the source of the threat, if those attacks were extended to the heart of China, would again cause repercussions which would be unacceptably serious.

V. Recommendations

34. Although the *Ad Hoc* Committee are at variance on certain fundamentals of policy (Section IV), it has reached a measure of agreement. (See paragraphs 27 through 33.)

We invite our respective Chiefs of Staff to accept the conclusions as the views of the *Ad Hoc* Committee. We consider these conclusions adequately fulfill the task set out in paragraph 5 of our Report.

35. The U.K. and French members would like to draw attention to the urgent need for consideration of setting up machinery to implement any agreed military measures. Such machinery should provide for the collation of intelligence and the study of operational and logistic plans to meet the possibilities of Chinese aggression in South East Asia. They recommend, if the Tripartite Chiefs of Staff agree [to] their recommendation, that a joint directive should be issued to their respective commands in the Far East setting up machinery for studying the implementation of military action. Such study in no way commits nations to action which is the prerogative of Governments.

The U.S. member feels that the *Ad Hoc* Committee is not competent to recommend definite actions as outlined above, this, further, being outside the scope of their terms of reference. He also considers that at this stage the suggested actions are not desirable.

[Here follow appendices outlining the capabilities of Australia, the United Kingdom, and the United States in the event of hostilities with the People's Republic of China, and an appendix outlining French Union forces then in Indochina.]

S/S-NSC files, lot 63 D 351,[1] NSC 124 Series

Report to the National Security Council by the Executive Secretary (Lay) [2]

TOP SECRET
NSC 124

WASHINGTON, February 13, 1952.

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO COMMUNIST AGGRESSION IN SOUTHEAST ASIA

References:
- A. NSC Action No. 597-b [3]
- B. NSC 48/5 [4]
- C. NSC 64 [5]

The enclosed draft statement of policy on the subject, prepared by the NSC Staff in accordance with NSC Action No. 597-b, is submitted herewith for consideration by the National Security Council at an early meeting. An NSC Staff study will be circulated separately as an annex [6] to NSC 124 for Council information in this connection.

The enclosure, if adopted, is intended to supersede NSC 64 and paragraph 14 of NSC 48/5, and to supplement the statement of the current U.S. objective with respect to Southeast Asia contained in paragraph 6-g of NSC 48/5. It is recommended that, if the enclosed statement of policy is adopted, it be submitted to the President for consideration with the recommendation that he approve it and direct its implementation by all appropriate executive departments and agencies of the U.S. Government under the coordination of the Secretaries of State and Defense.

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[1] Serial master file of National Security Council and related Department of State documentation, 1947-1961, retired by the Executive Secretariat of the Department.

[2] Several preliminary drafts, none printed, of this report are in lot 63 D 351 and in S/P-NSC files, lot 61 D 167. The latter is a serial file of NSC reports and memoranda for the years 1950-1961, maintained and retired by the Policy Planning Staff. Additional documentation relating to the NSC 124 Series is in files 611.90 and 790.5.

[3] At its 110th meeting on Dec. 19, 1951, the NSC, with the President presiding:

"a. Discussed the situation in Indochina in the light of recurring rumors of impending Chinese Communist intervention.

"b. At the suggestion of the Secretary of State, directed the Senior NSC Staff to expedite the report on U.S. policy toward Southeast Asia, with particular reference to possible courses of action regarding Indochina." (S/S-NSC (Miscellaneous) files, lot 66 D 95, NSC Action No. 597. This lot file includes administrative and miscellaneous NSC documentation, including Records of Action, as maintained by the Executive Secretariat of the Department of State for the years 1947-1963. Retired by S/S, CMS.)

[4] NSC 48/5, "United States Objectives, Policies, and Courses of Action in Asia", May 17, 1951, is printed in *Foreign Relations*, 1951, vol. VI, Part 1, p. 33.

[5] NSC 64, "The Position of the United States With Respect to Indochina", Feb. 27, 1950, is printed *ibid.*, 1950, vol. VI, p. 744.

[6] Annex to NSC 124, "NSC Staff Study on United States Objectives and Courses of Action With Respect to Communist Aggression in Southeast Asia", Feb. 13, is not printed. (Lot 63 D 351, NSC 124 Series)

Part of this Annex (the sections dealing with general, regional, and Indochinese matters) is printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, 12 volumes (Washington, Government Printing Office, 1971), Book 8, pp. 468-476. The sections omitted treat Burma, Malaya, Thailand, and Indonesia.

It is requested that special security precautions be observed in the handling of the enclosure and that access to it be restricted on a need-to-know basis.

James S. Lay, Jr.

[Enclosure]

Draft

Statement of Policy Proposed by the National Security Council on United States Objectives and Courses of Action With Respect to Communist Aggression in Southeast Asia*

OBJECTIVE

1. To prevent the countries of Southeast Asia from passing into the communist orbit, and to assist them to develop the will and ability to resist communism from within and without and to contribute to the strengthening of the free world.

GENERAL CONSIDERATIONS

2. Communist domination of all Southeast Asia would seriously endanger in the short term, and critically endanger in the longer term, United States security interests.

a. The communist take-over of Indochina or Thailand or Burma as a consequence of identifiable Chinese Communist aggression, especially if encountered by no more than token resistance on the part of the United States or the UN, would have critical psychological and political consequences. These consequences would probably include relatively swift submission to or alignment with communism by the remaining countries of this group. Furthermore, in the absence of effective and timely counteraction, an alignment with communism of the rest of Southeast Asia and India, and in the longer term, of the Middle East (with the probable exceptions of at least Pakistan and Turkey) would progressively follow. Such widespread alignment would endanger the stability and security of Europe and would nullify the psychological advantages accruing to the free world by reason of its response to the aggression in Korea.

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*Southeast Asia is used herein to mean the area embracing Burma, Thailand, Indochina, Malaya and Indonesia. [Footnote in the source text.]

b. Equally serious consequences could also flow from successful communist subversion of mainland Southeast Asia without identifiable aggression.

c. Communist control of all of Southeast Asia would render the U.S. position in the Pacific offshore island chain precarious and would seriously jeopardize fundamental U.S. security interests in the Far East.

d. The loss of Southeast Asia, especially of Malaya and Indonesia, could result in such economic and political pressures in Japan as to make it extremely difficult to prevent Japan's eventual accommodation to communism.

e. Southeast Asia, especially Malaya and Indonesia, is the principal world source of natural rubber and tin, and a producer of petroleum and other strategically important commodities. The rice exports of Burma and Thailand are critically important to Malaya, Ceylon and Hong Kong and are of considerable significance to Japan and India, all important areas of free Asia.

3. Actions designed to strengthen the political and territorial integrity of the countries of Southeast Asia require sensitive selection and application, on the one hand to assure the optimum efficiency through coordination of measures for the general area, and on the other, to accommodate or to do minimum violence to the individual sensibilities of the several governments, social classes and minorities of the area.

4. The successful defense of Tonkin is important to the retention in non-communist hands of mainland Southeast Asia. However, should Burma come under communist domination, a communist military advance through Thailand might make Indochina, including Tonkin, militarily indefensible. Thus, the route of communist advance into Southeast Asia will influence the execution of the following U.S. courses of action with respect to individual countries of the area.

COURSES OF ACTION

Southeast Asia

5. With respect to Southeast Asia, the United States should:

a. Strengthen psychological activities in relation to the area to foster increased alignment of the people with the free world.

b. Continue programs of economic and technical assistance designed to strengthen the indigenous non-communist governments of the area.

c. Encourage the countries of Southeast Asia to restore and expand their commerce with each other and with the rest of the free world, and stimulate the flow of the raw material resources of the area to the free world.

d. Seek agreement with other nations, including at least France, the UK, Australia and New Zealand, for a joint warning to Communist China regarding the grave consequences of Chinese aggression against Southeast Asia, the issuance of such a warning to be contingent upon the prior agreement of France and the UK to participate in the courses of action set forth in paragraphs 6–d, 7–f, and 8–c in the event that such a warning is ignored.

e. Continue to encourage and support closer cooperation among the countries of Southeast Asia, and between those countries and the United States, Great Britain, France, the Philippines, Australia, New Zealand, South Asia and Japan.

f. Strengthen covert operations designed to assist in the achievement of U.S. objectives in Southeast Asia.

g. Continue activities and operations designed to encourage the overseas Chinese communities in Southeast Asia to organize and activate anti-communist groups and activities within their own communities, resist the effects of parallel pro-communist groups and activities and, generally, increase their orientation toward the free world.

h. Take whatever measures may be practicable to promote the coordinated defense of the area, and encourage and support the spirit of resistance among the peoples of Southeast Asia to Chinese Communist aggression and to the encroachments of local communists.

i. Make clear to the American people the importance of Southeast Asia to the security of the United States so that the people may be prepared for any of the courses of action proposed herein.

Indochina

6. With respect to Indochina the United States should:

a. Intensify support of constructive political, economic and social measures.

b. Continue to promote international support for the three Associated States.

c. In the absence of large-scale Chinese Communist intervention:

(1) Continue to furnish aid for the French Union forces without relieving French authorities of their basic military responsibility for the defense of the Associated States.

(2) Provide military equipment and supplies on a high priority basis in order to:

(a) Assist the French Union forces to maintain progress in the restoration of internal security against the Viet Minh.

(b) Assist the forces of France and the Associated States to defend Indochina against Chinese Communist aggression.

(c) Assist in developing indigenous armed forces which will eventually be capable of maintaining internal security without assistance from French units.

(3) In view of the immediate urgency of the situation, involving possible large-scale Chinese Communist intervention, and in order that the United States may be prepared to take whatever action may be appropriate in such circumstances, make the plans necessary to carry out the courses of action indicated in subparagraph d below.

(4) In the event that information and circumstances point to the conclusion that France is no longer prepared to carry the burden in Indochina, or if France presses for a sharing of the responsibility for Indochina, whether in the UN or directly with the U.S. Government, oppose a French withdrawal and consult with the French and British concerning further measures to be taken to safeguard the area from communist domination.

d. In the event that it is determined, in consultation with France, that Chinese Communist forces (including volunteers) have overtly intervened in the conflict in Indochina, or are covertly participating to such an extent as to jeopardize retention of the Tonkin Delta area by French Union forces, take the following measures to assist these forces in preventing the loss of Indochina, to repel the aggression and to restore international peace and security in Indochina:

(1) Support a request by France or the Associated States for immediate action by the United Nations which would include a UN resolution declaring that Communist China has committed an aggression, recommending that member states take whatever action may be necessary, without geographic limitation, to assist France and the Associated States in meeting the aggression.

(2) Whether or not UN action is immediately forthcoming, seek the maximum possible international support for and participation in any international collective action in support of France and the Associated States.

(3) Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

(4) Intensify covert operations to aid anti-communist guerrilla forces operating against Communist China and to interfere with and disrupt Chinese Communist lines of communications and military supply areas.

(5) Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

e. If communist control of substantial additional portions of Indochina becomes inevitable, support any elements capable of continued resistance to communism in order to delay the consolidation and exploitation of communist gains and to minimize the psychological consequences of such a communist victory.

Burma

7. With respect to Burma, the United States should:

a. Encourage the Burmese Government to cooperate fully with the anti-communist nations, and be prepared to furnish to Burma military equipment, supplies and advice as appropriate.

b. Arrange to conduct a full and frank exchange of views with the British Government with the object of re-examining policy toward Burma and seeking any joint or coordinated action which might contribute toward an improvement in the situation in Burma. Urge the inclusion of elements from other Commonwealth countries in the British Services Mission, emphasizing participation by Asian nations, especially India.

c. Attempt to arouse the Burmese and Indian Governments to the dangers of Chinese Communist expansion and to the need for effective military defense against it, including coordinated military action with other Southeast Asian countries.

d. Develop united action and cooperation among indigenous, anti-communist groups in Burma to resist communist encroachments. Make preparations for the establishment of guerrilla forces among suitable ethnic groups for possible use against the communists. Unless the Burmese Government should cease to be non-communist, however, the major consideration should be to take no action that would involve serious risk of alienating the Burmese Government.

e. Conduct information and economic assistance programs in Burma which will have a maximum short-term favorable impact upon the Burmese people and government.

f. In the event of overt Chinese Communist aggression against Burma, take the following action:

> (1) Support an appeal to the UN by the Burmese Government.
>
> (2) Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.
>
> (3) Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

g. In the event of a seizure of power at the seat of government in Burma by local communists, activate to the extent practicable the guerrilla forces referred to in paragraph 7d above.

h. If, in spite of the preceding courses of action, communist control of all or a substantial part of Burma becomes inevitable, support any elements capable of continued resistance to communism in order to delay the consolidation and exploitation of communist gains, and to minimize the psychological consequences of such a communist victory.

Thailand

8. With respect to Thailand, the United States should:

a. Continue to assist the Government of Thailand in creating conditions of internal security, in becoming a stabilizing force in Southeast Asia, and in maintaining its alignment with the free world.

b. In the event of communist domination of either Indochina or Burma:

(1) Immediately consider increasing the priority and volume of military aid to Thailand.

(2) Immediately put into effect whatever measures may be determined as feasible to forestall an invasion of Thailand or a seizure of power by local Thai communists.

c. In the event of Chinese Communist aggression against Thailand:

(1) Support an appeal to the UN by the Thai Government.

(2) Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

(3) Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

Malaya

9. With respect to Malaya, the United States should:

a. Support the British in their measures to eradicate communist guerrilla forces and restore order.

b. In the event of Chinese Communist aggression against Malaya, in addition to the appropriate military action contemplated above against Communist China, the United States should assist in the defense of Malaya as appropriate, as part of a UN collective action or in conjunction with the United Kingdom and any other friendly governments.

Indonesia

10. With respect to Indonesia, the United States should:

a. Seek to strengthen the non-communist political orientation of the government, promote the economic development of Indonesia, and influence Indonesia toward greater participation in measures which support the security of the area and Indonesian solidarity with the free world.

b. In the event of a seizure, or attempted seizure, of power by internal communist action in Indonesia:

(1) Seek maximum international response to a request by the legal government for friendly nations to come to its assistance against the insurgents.

(2) Consistent with world-wide U.S. commitments, take appropriate military and other action to wrest the area from communist control.

c. In the event of Chinese Communist aggression against Indonesia, in addition to the appropriate military action contemplated above against Communist China, take appropriate military action to assist in the defense of Indonesia as part of a UN collective action or in conjunction with other friendly governments.

790.5/2-2352: Telegram

The Acting Secretary of State to the Embassy in the Philippines

SECRET WASHINGTON, February 23, 1952—12:55 p.m.

2609. Urtel 2853, Feb 12.[1] Dept most interested in your conversation with Quirino[2] about prospects for expanding Pac Pact arrangements and believes this approach by Quirino to you offers some possibilities. You may of course assure Quirino US most pleased with his contd interest in expanding arrangements and that as a matter of gen principle and eventual objective his thinking certainly parallels that of US. US attitude in gen remains as has been explained to Quirino on numerous past occasions, viz. US in principle looks with sympathy on any regional arrangements designed to strengthen security of free world, advance cause of peace, promote gen welfare of peoples concerned and be initiated by those most directly involved. In this sense and on basis of foregoing criteria US wld of course give most serious and sympathetic consideration to any proposals which might be initiated and agreed upon by Asian participants. In absence of such specific proposals US can hardly do more than express approval and sympathy in principle. Quirino may wish, however, to consider whether present is most propitious moment to advance his proposal.

It wld seem preferable to defer consideration of interlocking Jap,[3] Austral, NZ, Phil[4] security pacts until these arrangements have been ratified and put into effect. Until practical problems arising from such implementation become more apparent through concrete experience any specific consideration of tying them together wld seem to be somewhat academic. Furthermore, it seems probable that countries concerned wld be more favorably disposed toward an expanding system once they have been able to see some practical advantages from agreements already signed. Dept cannot of course presume to speak for Austral and NZ on question interlocking existing security pacts. Urinfo, however, Dept doubts very much either country prepared at this time consider joining in any security arrangement with Jap. Furthermore, as you are aware, UK opposed quadrilateral pact including Philippines on grounds such arrangement wld accentuate problem non-inclusion Brit territories area in security arrangement. Austral and NZ wld be influenced by Brit attitude this matter in considering any Quirino proposal pacts be linked.

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[1] Not printed here. (796.5/2-1252)

[2] Elpidio Quirino, President of the Philippines.

[3] For text of the Security Treaty between the United States and Japan, signed at San Francisco Sept. 8, 1951, see 3 UST (pt. 3) 3329.

[4] For text of the Mutual Defense Treaty between the United States and the Philippines, signed at Washington Aug. 30, 1951, see 3 UST (pt. 3) 3937.

Quirino mentions desirability of including Thailand and Indo.[5] Thailand certainly presents no problem. Present situation in Indo with whose specific problems Quirino undoubtedly aware wld make it extremely questionable whether Indo wld welcome now any such invitation as Quirino envisages. It is to be hoped that developments of next few months will create conditions make Indo more receptive to such proposal. Burma and Indochina are conspicuous by their absence from Quirino's conversation. Dept wld be interested in knowing reasons behind this omission. Quirino must understand and you shld so state to him that any regional pact which omits Indochina, given the nature of the war now going on there and the consequences for SEA if the Commie forces shld win to say nothing of cost in blood and treasure which the denial of Indochina to Communism is now costing the free world, wld be something less than "moral rearmament", it wld be meaningless. US now as in the past is bewildered by Phil failure to understand importance and significance of Indochina not only to SEA but also to Phils. If Quirino wishes to cover his skeleton Pac pact proposals with some meat of practical action he cld hardly do better than recognize the Associated States and let the world know they have Phil support. Such action on his part cld well serve to persuade other countries in the area of determination of his intentions.

Please assure Quirino US most gratified for this expression of his views and wld welcome any further thoughts or ideas he may develop on basis foregoing.[6]

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[5] Indonesia.

[6] In telegram 3186 from Manila, Mar. 12, the Embassy reported that the Philippine Government had been informed of U.S. policy on this matter along the lines set forth above. (790.5/3-1252) The text of telegram 2609 was also repeated to U.S. officials at other posts in response to inquiries regarding the Department of State position with regard to an expanded Pacific alliance system, most notably in A-214 to Saigon, Mar. 22, and A-270 to Singapore, June 13. (790.5/3-2252 and 790.5/6-1352, respectively)

Editorial Note

On February 29 the Central Intelligence Agency circulated advance copies of Special Estimate 22, "Consequences of Certain Possible US Courses of Action With Respect to Indochina, Burma, or Thailand", apparently with the intention of insuring distribution before the NSC meeting to be held March 5. The Department of State file copy is marked for the use of the Secretary of State. (Lot

63 D 351, NSC 124 Series) Text of an advance copy of SE–22 is printed in Department of Defense, *United States-Vietnam Relations, 1945–1967*, Book 8, pages 477–484.

A regular distribution of SE–22, with text unchanged, was made on March 4.

S/S-NSC files, lot 63 D 351

Memorandum by the Deputy Assistant Secretary of State for Far Eastern Affairs (Johnson) to the Secretary of State [1]

TOP SECRET [WASHINGTON,] March 3, 1952.

Subject: United States objectives and courses of action with respect to Communist aggression in Southeast Asia (NSC 124).

The President has made it known that he wishes NSC 124 [2] to be presented to the National Security Council before his departure for Florida. It has accordingly been placed on the Council's agenda for Wednesday, March 5, at which time it will be discussed if not actually considered.

The basic purpose of the paper is to anticipate the contingency of an invasion of Southeast Asia by Communist China and it is designed to concern itself with this subject to the exclusion, insofar as possible, of other related topics. In its present form it is the result of approximately two months of negotiation by the Department of a draft originally submitted by the Department of Defense. For the last fortnight it has been under consideration by the Joint Strategic Survey Committee on behalf of the Joint Chiefs of Staff and the Joint Secretaries on behalf of the Department of Defense. When informed that the President wished the paper to be discussed in the Council on March 5 both the representatives of the Department of Defense and the JCS indicated that it was doubtful that their studies would be completed in time.

Nevertheless it is anticipated that the JCS and Department of Defense representatives will take the position that the analysis of the situation, the estimate of the importance of Southeast Asia and the courses of action recommended in the paper are all excellent but that the military cannot subscribe to the courses of action recommended with our military capabilities at their present level. The President and the Council will therefore undoubtedly be called upon to decide whether our present military capability including the base of mobilization shall be increased in order that the courses of action in NSC 124, if approved, be followed. Failure to do so will presumably make it impossible for us to accept the paper in its present form and will necessitate a complete revision.

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[1] Drafted in the Office of Philippine and Southeast Asian Affairs (PSA) by Lacy and William M. Gibson, Deputy Director.

[2] Dated Feb. 13, p. 45.

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State-Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] March 5, 1952—11 a.m.

[Here follows a list of the persons present (18). All of the members of the Joint Chiefs of Staff except General Bradley attended the meeting. Matthews headed the Department of State group.]

Southeast Asia

General Vandenberg: I believe you want to discuss the problem of Southeast Asia in preparation for this afternoon's NSC meeting.

Mr. Matthews: Yes, I would like to ask Mr. Nitze to begin the discussion.

Mr. Nitze: The first question seems to me to be procedural in character. We have a draft NSC paper and the JCS comments thereon, [2] and the problem is how to proceed to develop a final paper. I have the impression that the military decision depends on the NSC decision, at least your paper seems to give that impression. At the same time, it is clear that the NSC decision depends in part on military considerations. We seem to have a chicken and egg proposition here.

General Vandenberg: It seems to us that there must be a decision regarding the political importance of the fall of Indochina, or for that matter of all Southeast Asia, to the eventual position of the United States in the world. If the loss of these areas is really as important to the United States as it appears to be to the JCS, then the U.S. must decide whether it intends to live, or indeed can live, in a world that has gone by. If the importance of these developments has been correctly judged to be very great, the matter should be put to the JCS in that way. The JCS has to know whether the U.S. must hold in this area or go down. With that decision in hand the JCS would have the necessary directive to figure out the cost and requirements of the necessary military action. We cannot begin to cost until we know whether our action will be taken in cooperation with allies or without them. It would be a waste of time to do this job unless we know that a political decision on the importance of the area has been taken. If it is not as important as we believe, then we should know that and should know, furthermore, where the line is on which we have to hold.

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

[2] Memorandum of Mar. 3, with enclosure, to Secretary of Defense Robert A. Lovett, signed for the JCS by General Vandenberg (circulated Mar. 4 to the NSC). (S/S-NSC files, lot 63 D 351) For text, see Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 8, pp. 485-501.

Mr. Nitze: Your paper gives the impression that we should not take the action indicated in NSC 124 unless certain pre-conditions have been established. These pre-conditions relate to such matters as our military build-up, a cut-back in MDAP deliveries to Europe (on grounds that there is not enough slack in the program to make up the Far Eastern requirements except by cutting back on NATO deliveries), a commitment by the French to provide the ground forces required to hold Indochina, a decision by the U.S. that it will not participate in military coordination in the area, and finally, freedom of action for the U.S. with respect to China. Now it seems to us that pre-conditions of this kind cannot possibly be met. We therefore come to the conclusion that your paper really concludes that the policy set forth in NSC 124 should not be approved.

General Vandenberg: That would not be a correct conclusion in my judgment. Your chain of reasoning is not correct. You seem to think that we are saying that wherever trouble breaks out the answer is defense. That is not necessarily so. However, when there has been a decision that an area has to be held, then the JCS should be told about it in order that it can figure out the cost. You should not leap to the conclusion that we are opposed to the defense of Indochina. All that we are saying is that, as regards some of the solutions which have been proposed, we cannot support them. If we go on the way we are, all the requirements for this area will have to be obtained by shifts from other areas. If the necessary decision is made, we can then cut civilian consumption and strengthen our armed forces, but there is no sense in our assuming these things and making a firm war plan until we find out just how important the NSC believes this area is.

Mr. Nitze: Of course no one can give you a statement that anything is so important that any cost whatever is worthwhile.

General Vandenberg: If that is so, then I think your position really is that Indochina can be permitted to fall. I say that because if there is any doubt whatever that the U.S. should pull in its belt, then the question cannot possibly be one of U.S. survival.

Mr. Nitze: The decision should be made the other way around. The NSC should have the best estimate it can get of the consequences of a decision to defend Indochina and of the requirements for that defense.

General Collins: We really can't put a lot of people to work on a war plan unless we have the necessary planning assumptions.

Mr. Bohlen: I would like to point out that this paper was run through the NSC Senior Staff very rapidly in order to give the JCS the basis it needed for its planning. NSC 124 does provide planning assumptions. It states that the U.S. should be prepared to go to war with Communist China if there is identifiable Chinese Communist aggression. That of course is not a final U.S. decision for such a decision cannot be made until we know the costs of carrying it out. I think that is the point which Paul has been trying to make.

(Members of the JSSC [3] joined the meeting at this point.)

General Vandenberg: In effect, then, you say let it go?

Mr. Nitze: Not at all. We do not let something go simply because it is not absolutely important.

General Vandenberg: The JCS paper does outline the military implications of the situation in Southeast Asia.

Mr. Bohlen: Before the NSC can make a final decision on this matter it has got to have a better idea of the real meaning of its decision. We hoped that you would operate on the assumption that we would defend Indochina and tell us what it would cost to do this. No one can decide an issue as vital as this one without this knowledge of the consequences. For example, if the decision was taken and if it was then found that the consequences included the disruption of NATO, the withdrawal of our troops from Western Europe, the redeployment of the Fleet, and so on, then the responsible men would say that if they had known what the consequences would be they would not have taken the decision. There is, after all, a certain relativity in everything.

General Collins: I think the time has come when the NSC itself should consider this matter. They will get a good idea of its significance by reading the papers that have now been prepared. If they come back and say they need such-and-such from the JCS, we will do our best to reply and I hope we will have enough time.

Mr. Bohlen: This paper passed the Senior Staff three weeks ago, which, by the way, was done because the JCS representative said that that much time would be required. We hoped to obtain the JCS view so that the NSC would have all the pieces of this puzzle. As matters stand, there are great gaps in the information.

General Collins: Are the British and French going to join with us in this or not?

General Vandenberg: Are we going to do this with the forces we now have or are we going into full mobilization? Are we going to make war against China by ourselves or are we going to use indigenous forces supplemented by our own? In other words, how important is it to the U.S. to do this and to do it fast? Do we intend to fiddle around? Until we know how important it is in terms of our world economic position and our international position generally, how can we in the JCS advocate any particular methods of doing it?

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[3] Joint Strategic Survey Committee.

Admiral Fechteler: It seems to me that the military implications of NSC 124 are pretty well spelled out by the JCS in the section of their comments that begins with paragraph 16.[4]

General Vandenberg: We have laid the groundwork for saying how much the job will cost and it seems to me that our superiors can tell us on this basis whether or not the job is worth doing.

Mr. Nitze: Let's look at paragraph 16 a moment. It says in effect that this action would increase our risks and therefore call for increased mobilization. The obverse of this is that if Southeast Asia falls, we may also have to increase our mobilization.

General Vandenberg: The point you make is the very one we have tried to make. We want the NSC to realize that if the situation is left untouched, changes of one kind or another will be required. In other words, do we let it fall and then rearm or do we rearm and do something about it?

Mr. Nitze: On this one you will find that State fully supports you.

Mr. Bohlen: NSC 124 says that the area is vital to the U.S.

General Vandenberg: That is not an approved statement.

Mr. Nitze: General Vandenberg is right on that point. The draft of NSC 124 is, of course, a tentative draft. Before it could be approved there would have to be an evaluation of the costs to carry out the recommended policy.

Mr. Bohlen: The question, I think, is whether this paper permits the NSC to look the problem in the eye. In my judgment it does not. There is not enough here to go on.

Mr. Nitze: What bothers me is that this paper says that the whole thing is impracticable.

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[4] Paragraph 16 of the memorandum cited in footnote 2 above reads:

"Acceptance of the policies proposed in NSC 124 would serve to increase the commitments of the United States. The Joint Chiefs of Staff consider that such increase should be accompanied by a substantial upward revision of our economic and military assistance programs for Southeast Asia and for Formosa and by some (possibly substantial) increase in our forces in being. In this connection, current slippages in the military production programs have already reduced planned United States and allied military readiness. There should be no increase in the risk resulting from such shortages in military production. Accordingly, the increases in our assistance programs and our ready forces, required by acceptance of the proposed policies, would call for a substantial and immediate increase in the scale of United States production, and pending that increase, would reduce the military assistance programs to other nations, especially those in high priority."

General Collins: If the members of the NSC will really read that paper and study it I think we can get ahead with the job.

Mr. Nitze: I can assure you that our Secretary will read it and study it.

General Collins: Mr. Lovett will also.

Mr. Bohlen: And I think the President will, since he asked for it and has been very insistent on obtaining it before he leaves for Key West.

General Vandenberg: Out of the discussions there should come something which would enable us to go ahead.

General Collins: The NSC discussions should enable the JCS to proceed with more specific guidance than it now has about the planning assumptions that should be made.

Mr. Bohlen: May I ask what planning assumptions the JCS needs which it does not have? NSC 124 provides two assumptions. First, that Southeast Asia is important enough to the U.S. so that the U.S. should be prepared to make war against Communist China in order to defend Southeast Asia, and second, that in the defense of Southeast Asia the U.S. will be supported by France and the U.K.

General Vandenberg: Recent discussions with the British and French Chiefs of Staff indicated that this is not a valid assumption.

Mr. Bohlen: It is perhaps not a wholly valid assumption, but the contrary assumption would not be valid either. One question is whether we have political support. Another question is what military support we would receive.

General Vandenberg: The view of the British and French Chiefs was that they have been constrained by the foreign policies of their governments. There is no point in planning on the active participation of the British and French and of costing on this basis unless we are going to get that support. Our war plan will be very different in the case of British and French support than in the case of unilateral action by the U.S. A solution based on an illogical assumption would not be any good. That is why we need to have these things resolved.

Mr. Matthews: Was there any clarification of this matter at Lisbon?

General Collins: Secretary Acheson and Foreign Minister Eden both said they had read the tripartite paper. Mr. Schuman had not read it and asked whether another Ministers' meeting could be held on this subject.

General Vandenberg: Mr. Lovett came back, I believe, with the feeling that the French are going to pull out of Indochina.

Mr. Nitze: Our Secretary came back with the view that the U.S. has to decide within a few weeks whether to increase its support to France. If we don't the French will, in his view, probably pull out.

Their decision probably depends upon the amount of budgetary aid we can provide.

Mr. Matthews: If it comes to a showdown between French interests in Western Europe and French interests in Southeast Asia, I feel sure that the French will decide for Western Europe and pull out of Indochina.

Mr. Nitze: If the question is put to our allies as one involving the continuation of NATO and the maintenance of military aid, then they will decide that Southeast Asia is not worth defending at the expense of the position in Western Europe.

General Vandenberg: Well, we ought to know that. We have to know what areas they will support us in. We have also got to know whether they will approve our doing the job in the way we think the job has to be done.

Mr. Bohlen: British and French support means mainly political support. I take it no one thinks they can provide much military backing. The assumption you are asked to go on is not absolutely provable. However, we have to get French and British support if we are going to war with Communist China, for without their support we might lose the whole NATO structure.

Mr. Nitze: . . .[5] and we would lose Southeast Asia anyway.

General Collins: All you are saying confirms me in my view that this is a political problem.

Mr. Bohlen: It is for that reason that we provided the two planning assumptions: first, that Southeast Asia is worth fighting for, and second, that it is worth fighting for on condition that we have political support from the French and British. The first assumption is clear and demonstrable; the second one is uncertain. In estimating costs and requirements you would use these assumptions and if the second assumption proved to be wrong, then of course the whole estimate would be wrong.

General Vandenberg: Will the British accept the threat to Hong Kong arising from a blockade of China, or won't they? One slight shift in such factors can change our war plans 180 degrees.

Mr. Matthews: And if we got that support?

General Vandenberg: Then we could really do something.

Admiral Fechteler: But we couldn't do it overnight. Remember that it took three months to cost NSC 68 [6] after its approval.

General Collins: We can make plans on the basis of two or three sets of planning assumptions. We want firmer guidance than we have got in order to limit our work to the outlining of two or three plans.

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[5] Ellipsis in the source text.

[6] For text of NSC 68, "U.S. Objectives and Programs for National Security", Apr. 14, 1950, see *Foreign Relations*, 1950, vol. I, p. 234.

Mr. Bohlen: Of course you are not going to get a final decision from the NSC. The NSC cannot possibly make a final decision until it has the idea of what costs are involved. The problem therefore is how to get the material and information that has to be available to the President if he is to make a decision.

General Vandenberg: Well, we have got to have firmer assumptions. In our view you ought to provide us with them. We should not make them ourselves.

Mr. Nitze: Couldn't we proceed with this in a somewhat different way? Couldn't we merely state that it would be easier to do the job if we have British and French support and develop a course of action to accomplish our mission assuming that support? You cannot guarantee us that a given military course will produce the desired results and we, on our part, cannot guarantee you that a given political course would produce the desired results.

General Collins: The essence of all that is that no reasonable assurance can be provided that Southeast Asia can be defended unless the war is carried to Communist China. That is the essence of the whole thing. I think it is worth bringing that point to the attention of the NSC and the President. It is my personal judgment that we will lose Southeast Asia unless we carry the war to Communist China.

Mr. Bohlen: That is what NSC 124 says in effect.

General Collins: Our comments represent all that we could do over the week-end. Now if you tell me that you need more details, I can only tell you that we need more assumptions.

Mr. Bohlen: What does the JCS want from the NSC meeting today? Can you tell me what assumptions you want?

General Vandenberg: I think there are two. We want to know whether the French and British will go whole hog with us politically—not militarily—and secondly, we want to know whether we, as a nation, are willing to increase our military budget and our military production at the expense of the civilian economy. If we have the answer to those two questions, I think we can do the job.

Mr. Bohlen: I think the answer—if it has to be a yes or no answer—is "no", and I take it that your conclusion would then be that we cannot save Southeast Asia.

General Collins: The conclusion is that we would lose Southeast Asia.

Mr. Bohlen: But this is the kind of question on which one cannot say "yes" or "no"—it is a question of degrees. Does full political support mean, for example, willingness to accept cutbacks in NATO, or does it merely mean that the British and French will

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give us their political blessing. If it is the latter only, then I think we would have their support.

General Collins: The necessary course of action will undoubtedly result in the loss of Hong Kong and in the complete severance of trade between the British and China. I think those two considerations are more important in the British mind than whether there will be a cutback in aid to the U.K. and France. I think these two things I mentioned profoundly affect British thinking. Can we count on the use of Chinese Nationalists, for example? This is political support, right up to the neck. We don't know whether we can use the Nationalists or not. We don't know whether we can have a tight blockade or not. We don't know whether we can bomb the outskirts of Kowloon. How would the British react to these things? Would we have their support?

Mr. Nitze: I think that is a matter on which we could appropriately comment. I think that Hong Kong is less important than Southeast Asia even to the British.

General Vandenberg: If you would talk with the British Foreign Office people so that they would talk to their Chiefs so that their Chiefs would talk with us, then we could do something. But you have not talked to their Foreign Office people.

General Collins: We have talked with the Chiefs, but the British and French Chiefs cannot talk about anything.

General Vandenberg: Now their Foreign Office knows our point of view.

Mr. Nitze: Certain things are clear. We cannot sell their Foreign Offices on immediate cuts in U.S. aid to Western Europe. It would not be helpful to our interests if we should take that up with them. We cannot sell them a complete change of Western strategy. If we try to sell one we will ruin our whole position. Now we might be able to sell them on the idea that a serious risk of the loss of Hong Kong ought to be accepted, along with a spreading of the war to China because of the importance of defending Southeast Asia. The question is what do we try to sell them? We can't possibly sell them the pre-conditions you have stated in your comments.

General Collins: I think the questions really are support for the bombing of key areas, support for a tight blockade, and willingness—this is a new element—to give serious consideration to the use of Chinese Nationalist forces. You could not use these forces right away for they are not ready, but this is a long-term process we are setting out on. We won't get any effects in less than six to twelve months.

General Vandenberg: It will be a long and unpopular war if we do not really go in to clean the thing up. The strategy so far proposed is a strategy of picking away at them, infiltrating them, making the Chinese people dissatisfied with their lot, and inflicting losses over a long period of time. There won't be any decision until the regime collapses and that may be four or five years or more. That is the kind of thing we are getting into. The men in authority ought to be aware of this, and will the British and French stick with us all that time? There might be some reduction in aid to Western Europe but it would not be great—perhaps 25% in some areas if we want to equip the Chinese Nationalists rapidly.

General Collins: We are now working on our '54 budget. We cannot do much in '53 anyway except perhaps via a supplemental appropriation. We simply do not have the equipment now to do all the things we are trying to do. We would not cut out a major part of our Western European supplies, but this course of action would have some impact on the aid to Europe. We are greatly concerned, for example, about the development of the Japanese Police Forces.[7] In fact, in my judgment Northeast Asia is more important than Southeast Asia.

Mr. Nitze: I have one other question which I would like to ask. I have supposed that a campaign against China itself would have better chances of success and be more effective if the West could hold in Indochina, so that the Chinese were suffering attrition in Southeast Asia. In these circumstances our blockade and air attack would be, I assume, that much more effective.

General Collins: I don't think there is much chance of that. The French will be driven out—it is just a question of time. Since DeLattre's death there is nobody else with the necessary political and military "savvy". The French are going to be driven out unless we do something soon to prevent the Chinese Communists from getting supplies down into Indochina.

Mr. Nitze: The question I asked related to a situation of war against China. Assuming we are at war, would not attrition in Indochina increase the effectiveness of the action the U.S. plans to take?

General Collins: In my judgment it would not make much difference. We are not going to put in ground forces. I think you might be right, if we could move Chinese Nationalists into Indochina. If we could move a corps into Indochina and they could start operating against the Chinese Communists then attrition might be a real factor.

Admiral Fechteler: I think it would make considerable difference if the French are still holding.

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[7] For documentation on this subject, see volume XIV.

General Collins: I agree with that if we can use the Chinese Nationalists. Furthermore, it is easier to launch guerrilla operations if we have a toe-hold on the mainland.

Mr. Nitze: It hasn't seemed to me that a blockade and an air attack against a country suffering no attrition have much chance of success.

General Vandenberg: We are not going to win a war this way. We are only going to make life difficult for the Chinese Communists.

Admiral Fechteler: What is the relation of the British and French in this? I believe that the British believe that they can hold Malaya in any event.

Mr. Matthews: It would be a much more difficult job for all the fence-sitters in Malaya would finally make up their minds.

General Collins: They wouldn't be able to get arms.

Mr. Matthews: Even 5,000 guerrillas have caused a lot of trouble.

General Collins: They can cause a certain amount of trouble but they won't make it impossible for the British to hold in Malaya.

Mr. Nitze: On General Collins' theory, then, we do not hold and do not really try to hold in Southeast Asia but we try to defeat the Chinese Communists in China.

General Collins: It is possible that we might hold in Burma, especially if India is willing to do something. Burma is a much tougher problem for the Chinese Communists. It might fall eventually but it could hold for two or three years.

Mr. Nitze: We would have a much easier time politically if we were really trying to hold in Southeast Asia. I think it would be easier even in terms of our relations with India. If the rest of the world gets the idea that we have written off Southeast Asia and only want to punish China, we will have a difficult time politically.

General Collins: The desire and the means to expand will dry up if a tight blockade is imposed.

Mr. Matthews: Does your pessimism regarding Indochina spring directly from DeLattre's death?

General Collins: No, not entirely. It is an inherently difficult situation although the loss of DeLattre is very significant. The French are trying to hold a long line; to hold the northern part of that line is a very difficult job. The communists could seize the area north of Haiphong and lay artillery fire on all ships going into the port. The Chinese Communists could drive down and seize this area without much trouble.

Mr. Matthews: Could the Viet Minh seize this area?

General Collins: Perhaps, but I doubt it. For another thing, they do not have the artillery that would be necessary.

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Admiral Fechteler: Did not General Juin say that the French could hold indefinitely unless the Chinese Communists intervened?

General Collins: That is what he said but I do not agree with him. Of course I was only there one day so don't regard me as an expert, but I am very doubtful.

Mr. Bohlen: General Juin is also pessimistic if the Chinese Communists come in.

General Collins: The French might hold against the Viet Minh alone for a while but they could not hold against the Viet Minh reinforced with Chinese "volunteers".

Mr. Matthews: Then in your view there is no real chance of licking the problem?

Mr. Nitze: Our feeling in State is that it is quite unlikely that the Chinese Communists will intervene. Their chances are so good without large-scale intervention that we find it hard to understand why they would choose to intervene.

General Vandenberg: Would you still hold the same view if the U.S. and the allies really put the screws on China? It would take a great number of people if we are to hold on in Burma and Indochina. I think we would have to put the Chinese Nationalists ashore to do that. In my view, what we expect to gain from an air attack and naval blockade is slow undermining of the Chinese Communist position in China. That, in my judgment, is our only reasonable chance of success and it is going to be a long process.

Mr. Bohlen: According to this paper we would not go after the Chinese Communists unless and until there was identifiable intervention.

General Vandenberg: Of course that partly depends upon the Korean armistice negotiations.

General Collins: Mr. Bohlen is right. The assumption is active Chinese Communist intervention.

General Vandenberg: We cannot consider that from one point of view only. We have got to look all around at the scene.

Mr. Matthews: What worries us is the continued attrition on the French.

Mr. Nitze: The loss of Indochina is about as damaging to us one way as another. The way in which it is lost, in other words, is not as important as its loss. However it happens it will have the same effect, for example, on Japan.

Admiral Fechteler: If the French walk out, there is nothing we can do about that. The only way to stop them from walking out is to say we will pay for it

General Vandenberg: And we won't do that.

Mr. Nitze: The question is whether we shouldn't do it. It would cost us about $500 million. Compared with the costs of the NSC 124 program that seems rather a small sum. In fact the comparison is such that we ought to be prepared to ask Congress for $500 million if that would enable the French to stay.

General Vandenberg: This will not guarantee us against the loss of Indochina.

Mr. Nitze: And no other course will give us a guarantee either.

Mr. Bohlen: With reference to the meeting this afternoon, I know the JCS want certain answers and at the same time the questions are unanswerable. So, once again, what happens to these two papers?

Mr. Nitze: I am not sure that we have asked the right questions in these papers.

General Vandenberg: We have thought of that too. We might consider what are the right questions.

General Collins: If we could receive two or three sets of planning assumptions, we could get to work and develop a plan on each set.

Mr. Bohlen: Can you tell us exactly what it is you want from the British and French?

General Collins: We could say that under a certain set of assumptions such-and-such a plan would produce some real effects. That would immediately raise certain questions as to whether we can receive British and French support for the plan.

Mr. Bohlen: Even if you make the assumption that you receive political support and then do not get that support all that you have done after all is to waste some time. We have to have something hard to start with. If you could give us a plan we could then advise you whether or not you could get what you want from the British and French.

Mr. Nitze: . . .[8] and what concessions the U.S. would probably have to make to get this support.

General Collins: If the NSC members will really look at these papers, I think they could give us two or three sets of assumptions. I wonder if the JSSC has anything to add. They have worked a lot on this problem and have been sitting with us this morning.

Admiral Robbins:[9] If we knew the answers to the following questions, I think we would be in pretty good shape: (1) Under no circumstances would the U.S. ever be willing to extend the war to Communist China; (2) the U.S. would be willing to extend the war to Communist China to save Indochina; (3) the U.S. will not decide this question until the need is upon it; and (4) the U.S. will not go farther in this matter than the U.K. or France will permit it.

Mr. Bohlen: Do you want decisions or assumptions?

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[8] Ellipsis in the source text.

[9] Rear Adm. Thomas H. Robbins of the Joint Strategic Survey Committee.

Admiral Robbins: Assumptions.

General Vandenberg: The JCS would be assisted if we received from you a view as to whether war with Communist China will increase the risk of war with the Soviet Union. If so, how would NATO react?

Mr. Nitze: It is perfectly clear that it does increase the risk of war with the Soviet Union, as your paper points out.

Admiral Fechteler: As to what we want from the British and French, it seems to me we want them to place at our disposal accommodations normally at the disposal of an ally. For example, we would like to use Singapore as an air and naval base, Hong Kong, etc. We could not predict specifically what we will want but we can say we will want the normal accommodations which one ally extends to another.

Mr. Nitze: I think they would reply that they want the consultation which is normal between allies.

General Collins: There is going to have to be consultation.

Mr. Bohlen: That is right.

General Vandenberg: If we can get that far, then we can sit down and talk with the British and French. They will have been forced into a position where talks with them can be useful.

General Collins: I believe you were referring to a paragraph in our paper, Mr. Nitze. We have got to have consultation—we did not mean to exclude that possibility.

Admiral Fechteler: If we agree to a unified command, that would immediately relieve the French of responsibility for Indochina.

General Collins: We cannot accept that kind of a transfer of responsibility.

Mr. Nitze: The language I have in mind is the change proposed by the JCS in paragraph 5 of NSC 124.[10] I am glad that you recognize that there would have to be consultation.

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[10] The enclosure to the memorandum cited in footnote 2 above is a draft list of suggested text changes in NSC 124. For paragraph 5, the JCS suggested these changes:

"3. Revise the present last sentence of subparagraph 5d in such a manner as to refer to every paragraph in the paper (in addition to subparagraphs 6d, 7f, and 8c) which involves military measures against Communist China.

"4. Add the following sentence at the end of subparagraph 5d:

"'In this connection, it should be made clear to the other nations that United States ground forces will not be committed to the defense of French Indochina, Thailand, or Burma.'

"*Reason:* For consistency and accuracy and in order to preclude misunderstanding.

"5. Change subparagraph 5h to read as follows (changes indicated in the usual manner):

"'Take **whatever** *such* measures *other than military as* may be practicable to promote the coordinated defense of the area, and encourage and support the spirit of

Continued

General Collins: Yes, there would be.

[Here follows discussion of the Korean situation and of future agenda.]

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resistance among the peoples of Southeast Asia to Chinese Communist aggression and to the encroachments of local communists.'

"*Reason:* For preciseness and to preclude any implication that the United States will join in a combined military command for the defense of the area."

PPS files, lot 64 D 563

Memorandum by the Director of the Policy Planning Staff (Nitze) [1]

TOP SECRET [WASHINGTON,] March 5, 1952.

Assumptions

1. That loss of Southeast Asia would present an unacceptable threat to position of U.S., both in Far East and world-wide.

2. That most likely threat to Southeast Asia is from a continuation of present deterioration of Western position in area without overt communist intervention.

3. That threat of overt communist intervention is a present and continuing threat requiring a prompt decision as to the lines of action to be followed to counter this threat.

4. That in event of overt communist intervention, Southeast Asia can probably not be held by action in Southeast Asia alone and that action against China itself will be required.

5. That it is an overriding objective of U.S. policy to avoid U.S. engagement with China alone, without allies, and with the loss of our NATO arrangements.

6. In the light of the above, the NSC is prepared to consider courses of action involving the following:

(a) A build-up of our own strength beyond that now contemplated;

(b) Increased assistance to French in Indochina and a more effective program for strengthening forces on Formosa;

(c) Some diversions from presently contemplated programs of aid to Europe to increase our capabilities in the Far East;

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[1] The editors have been unable to determine whether this memorandum was prepared before or after the State-JCS meeting of Mar. 5; memorandum *supra*.

This memorandum bears two unsigned notations. One reads: "(Used at NSC briefing in Secy's office on 3/5/52.)" The other follows: "Used to brief Secretary for NSC mtg. 3/5 and was used by Sec. at the NSC mtg. NSC accepted this draft & directed Senior Staff to revise in light of NSC discussion."

Another briefing memorandum prepared for this NSC meeting is printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 8, pp. 502-507. Internal evidence indicates that this unaddressed, unsigned memorandum was prepared in the Defense Department for the Secretary of Defense.

(d) Diplomatic action to cause French and British to accept the following:

(1) That if we are to help them in Southeast Asia they must face up to what flows from the risks we would take, i.e., blockade Hong Kong, etc.; and give us backing, if the action spreads, beyond that point.

(2) Reinforcement of their ground forces in Southeast Asia in the event of overt communist aggression.

(e) In order to achieve (d) above, agree to coordinate in some manner military actions in Far East short of a combined command structure and give non-military assistance in Southeast Asia.

7. The NSC requests:

(a) The JCS to indicate (1) the military courses of action, (2) the military requirements of such courses of action, and (3) the probable effectiveness of such courses in meeting U.S. objectives as outlined above.

(b) The State Department to formulate recommended diplomatic courses of action and to estimate their probable success.

(c) State and Defense to coordinate their studies as appropriate.

Truman Library, Truman papers, PSF–Subject file

Memorandum for the President of Discussion at the 113th Meeting of the National Security Council Held on Wednesday, March 5, 1952[1]

[Extract]

TOP SECRET

The following notes contain a summary of the discussion at the 113th Meeting of the National Security Council, at which you presided. Admiral Fechteler attended the meeting for the Chairman of the Joint Chiefs of Staff.[2]

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[1] Prepared on Mar. 6, apparently in the NSC Secretariat.

[2] The meeting was attended by all the Council members: President Truman; Vice President Barkley; W. Averell Harriman, Director of Mutual Security; Jack Gorrie, Chairman of the National Security Resources Board; and Secretaries Acheson and Lovett. Among the seven others present were John W. Snyder, Secretary of the Treasury; Charles E. Wilson, Director of Defense Mobilization; Walter Bedell Smith, Director of Central Intelligence; Sidney W. Souers, Special Consultant to the President; and Admiral Fechteler.

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2. *United States Objectives and Courses of Action With Respect to Communist Aggression in Southeast Asia* (NSC 124 and Annex to NSC 124; Memo for NSC from Executive Secretary, same subject, dated March 4, 1952)[3]

The President requested Secretary Acheson to make the first comments on NSC 124, particularly with respect to what decisions the Council might come as to the best handling of the report.

Secretary Acheson expressed the view that it would be premature to try to reach a formal decision on NSC 124, but instead the Council should discuss this and another paper he had in mind, as a means of making progress without commitment. Secretary Acheson then discussed briefly what he described as a "hen, chicken or egg" problem. The Joint Chiefs of Staff, he pointed out, feel that they can not undertake to make detailed studies of the military courses of action open to the United States in Southeast Asia without first obtaining a political decision regarding United States policy in that area. On the other hand, it was difficult to reach a political decision without some knowledge of the capabilities of the military to support certain courses of action. Secretary Acheson went on to point out certain difficulties which were inherent in the views of the Joint Chiefs of Staff with respect to the present report. In illustration he cited their view that our allies, notably Britain and France, were expected to support us if we became engaged in a war against Communist China, but that we alone should undertake to run the show. He was also doubtful about the British and French view of what was to be gained by war against Communist China if in the course of it the British and French were to lose their positions in the countries of Southeast Asia for which they were responsible.

Secretary Acheson also emphasized his belief that any paper on Southeast Asia should stress the contingency of a continued deterioration of the situation in Indochina in the absence of any identifiable Communist aggression, and should also take careful account of the possibility that the French might feel compelled to get out of French Indochina. He said that he had discussed this matter at considerable length in Lisbon, and had come to the tentative conclusion that what the French really mean when they stress their difficulties is that they cannot continue to carry their burden both in NATO and in Indochina without additional help from the United States. The French, he said, were also seriously concerned about the ultimate effects of their losses in Indochina on the whole French military manpower reserves. Accordingly, Secretary Acheson suggested that the Senior NSC Staff be asked to undertake a thoroughgoing study of the priority which should be accorded Indochina as compared, for instance, to NATO, and what the United States is really prepared to do in order to keep the French in Indochina.

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[3] Not printed; it enclosed the JCS memorandum to the Secretary of Defense dated Mar. 3, cited in footnote 2, p. 55. (S/S–NSC files, lot 63 D 351)

Secretary Acheson then produced and read from a series of assumptions [4] in the political realm which he said the Joint Chiefs of Staff might take as a basis for developing further military studies with regard to United States courses of action in Southeast Asia. If these assumptions could be agreed upon, Secretary Acheson believed that they would solve the Joint Chiefs' problem of developing studies on military courses of action in the absence of a political decision.

The President then asked Secretary Lovett for his views.

Secretary Lovett explained that the Joint Chiefs of Staff views derive from evidence in their possession of a lack of desire on the part of the British and French to do more than conduct a perimeter defense of Southeast Asia—that is, of British and French opposition to any proposal to broaden the war by carrying it to Communist China. On the other hand, Secretary Lovett agreed emphatically with Secretary Acheson that it would be undesirable to attempt to reach a formal decision on NSC 124 at today's meeting. He further agreed that the French were very likely to attempt to get us to shoulder a larger part of the costs of the Indochina campaign. Nevertheless, Secretary Lovett expressed strong sympathy with the position taken by the Joint Chiefs of Staff that it was difficult to go further into the details of military courses of action in Southeast Asia in the absence of some clearer idea of the political decision. Actually, said Secretary Lovett, there was nothing really effective that we could do to prevent the Chinese Communists from seizing Indochina if they were prepared to use military force to secure it. Not even military action against Communist China itself could stop this, because a considerable interval would elapse before the effect of military action against Communist China would be felt on the periphery. In short, the effect of a threat of war against Communist China was the hope that it would deter the Chinese Communists from such a course. On the other hand, said Secretary Lovett, if it is not the real intention of the Chinese Communists to seize Indochina by military means, and if we wish to save Indochina over a period of time, it would presumably be very sensible to spend more money, perhaps even at the rate of a billion or a billion and a half dollars a year, in support of resistance there. In any case, this would be very much cheaper than an all-out war against

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[4] Reference is to the memorandum, *supra*.

Communist China, which would certainly cost us fifty billion dollars. These matters ought to be explored carefully with the British and French before the United States reaches any final military decisions. Secretary Lovett also expressed his agreement that Indochina was most likely to go by internal subversion or by other means than overt Chinese Communist aggression. Since this matter was not dealt with at any length in NSC 124, Secretary Lovett suggested that the Senior NSC Staff correct this deficiency and consider what the United States could do if the situation in Southeast Asia continued to deteriorate in the absence of identifiable aggression.

The Vice President asked for more details about what we were doing to assist in Indonesia, Burma and Thailand.

Secretary Lovett replied that we had been giving military assistance to Thailand but not to Burma or Indonesia.

The Vice President then inquired about what use might be made of Chinese Nationalist forces. Do we intend, he asked, or do we plan to take such forces with us into China in the event of war with China?

The answer to this, said Secretary Lovett, was "no". The Joint Chiefs of Staff have strongly recommended against the use of United States ground forces inside China. We would be more likely to use the Nationalist troops as guerrillas or as raiding forces. If we did so, he added, we would of course have to transport such forces to their destinations.

With respect to the views of the Joint Chiefs of Staff on Southeast Asia, Secretary Lovett said that he wished to emphasize three significant points which they had brought out. The first of these, in paragraph 9,[5] noted the grave danger to U.S. security interests should Southeast Asia pass into the Communist orbit. The second was the stress placed by the Joint Chiefs of Staff on the undesirability of committing United States ground forces in campaigns in the countries of Southeast Asia, and the undesirability of the United States entering into any combined military command for the defense of these countries. Thirdly, the Joint Chiefs of Staff were very emphatic against the United States joining in any warning or ultimatum to Communist China unless we were ready to back it up. We cannot afford to bluff.

In conclusion, Secretary Lovett expressed himself as in accord with the proposal of the Secretary of State that the problem be explored further and that the deficiencies of the present paper be corrected. He proposed, therefore, that NSC 124 be referred to the Senior NSC Staff and that the Joint Chiefs of Staff be requested to

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[5] Reference is to paragraph 9 of the memorandum cited in footnote 2, p. 55.

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elaborate their views on military courses of action on the basis of the political assumptions which the Secretary of State had just read to the Council.

Admiral Fechteler expressed the hope that if this course were adopted by the Council it would prove possible to develop an agreed set of assumptions which would be realistic and would produce meaningful conclusions. Admiral Fechteler expressed the view that the Joint Chiefs of Staff should join in the development of the political assumptions to which Secretaries Acheson and Lovett had referred.

Mr. Lay traced briefly the genesis of NSC 124, and pointed out that the paper had been developed out of fears widely current at the end of 1951 that the Chinese Communists were about to launch an overt attack on Indochina. It was for this reason, said Mr. Lay, that emphasis in the paper had been on courses of action to counter identifiable aggression, rather than on courses of action to counter deterioration of the existing situation or to counter internal subversion in the countries of Southeast Asia.

Mr. Souers suggested that the Senior NSC Staff join with the representatives of the Joint Chiefs of Staff in working out the political assumptions referred to by Secretaries Acheson and Lovett.

Secretary Lovett expressed the opinion that two major problems needed a thorough airing before any real answer could be given to the problem posed for us by the situation in Southeast Asia. First, are the British and French militarily prepared to join us in an ultimatum to Communist China, and to go wherever such a course of action should lead? Secretary Lovett thought the answer was "no" at present. Secondly, inasmuch as it was less likely that we should face naked Chinese aggression in Southeast Asia than a deterioration of the existing situation to a point where the French would throw in the towel, the question we must face is, are we prepared to pick up this towel at a cost, perhaps, of a billion or a billion and a half dollars a year?

Secretary Acheson explained what appeared to him to be the present British and French concern about the type of action proposed in NSC 124. In brief, this was that the courses of action could easily lead to an all-out war against Communist China without actually saving Southeast Asia itself.

General Smith expressed the opinion that when the chips were actually down, the British and French would probably go along with us in the course of action against Communist China. In general, he described the Joint Chiefs of Staff comments as a highly realistic paper. It had, he felt, one deficiency, namely, its tendency to imagine that the British could be held responsible for saving Burma. General Smith expressed the view that while most of the fuss was currently over Indochina, Burma was actually the weakest link in the chain.

Mr. Harriman asked if he was correct in assuming that while the Joint Chiefs of Staff were developing their military studies the State Department would parallel such studies by investigating what could be done to shore up the political structure in Indochina.

Mr. Gorrie raised the question as to whether the courses of action discussed at the meeting were likely to imply the need for a stepping-up of our mobilization effort.

In answer to Mr. Gorrie's question, Secretary Lovett replied that as far as immediate assistance to Indochina was concerned, such assistance would have to come at the expense of some other area. There simply was not enough to go around. Moreover, he said that should the United States ultimately get into a full-scale war with China, it would be obviously necessary to move into full mobilization. Secretary Lovett also warned that there was no possibility whatever of increasing the rate of production of essential military end items before next December, even if we were now to determine to go to full mobilization.

Mr. Wilson expressed general agreement with the statement of Secretary Lovett, but nevertheless stated that in a few important cases it might well be possible to step up production. However, if we were going to do so it was essential to make the decision now. As an illustration, Mr. Wilson pointed out that it would probably be possible to achieve a 25% increase in Sabre jets in the course of the next year if we really wanted to do so.

Mr. Gorrie then inquired whether it would be necessary to step up the mobilization effort if we issued an ultimatum along the lines indicated in NSC 124.

Secretary Lovett replied, "Unquestionably."

Mr. Lay then stated to the Council his understanding of the action which it had determined upon with respect to the present paper, namely, that the Senior NSC Staff would undertake to provide a new set of assumptions on the basis of which the Departments of State and Defense would develop further studies on diplomatic and military courses of action in Southeast Asia in the contingency of overt aggression, and secondly, that the Senior NSC Staff would undertake to provide a new report recommending courses of action to be undertaken in the absence of identifiable aggression to counter continued deterioration of the existing situation in Southeast Asia.[6]

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[6] Secretary Acheson prepared a briefer account of this meeting entitled "Report on NSC Meeting". This document, dated Mar. 5, is in file 790.5/3-552.

The National Security Council: [7]

a. Directed the NSC Staff to prepare an agreed set of assumptions, along the lines suggested by the Secretary of State, as a basis for further studies by the Department of State and the Joint Chiefs of Staff, respectively, of diplomatic and military courses of action to counter identifiable Communist aggression in Southeast Asia.

b. Referred NSC 124 to the NSC Staff for reconsideration in the light of the above studies.

c. Directed the NSC Staff to prepare for Council consideration a report on U.S. courses of action in Southeast Asia to counter continued deterioration of the existing situation in the absence of identifiable Communist aggression.[8]

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[7] Paragraphs a–c constitute NSC Action No. 614. (S/S–NSC files, lot 66 D 95)

[8] The plan of action set forth in NSC Action No. 614 was not carried out fully. For a review of subsequent developments with regard to the NSC 124 Series, see the memorandum from John M. Allison, Assistant Secretary of State for Far Eastern Affairs, to Acting Secretary Webb, June 25, p. 119. This memorandum serves to clarify much of the intervening documentation on the subject.

Conference files, lot 59 D 95, CF 115

The Secretary of State to the Secretary of Defense (Lovett) [1]

SECRET [WASHINGTON,] April 4, 1952.

MY DEAR MR. SECRETARY: The ratification of the Security Treaty between Australia, New Zealand, and the United States which was signed at San Francisco on September 1, 1951, obliges us to give urgent consideration to the problem of implementation of the Treaty. Both the Australian and New Zealand Governments have indicated to the Department their strong interest in proceeding at once with the organization of the Council provided for in Article VII of the Treaty.

It is apparent from informal conversations between officers of the Department of State and the Department of Defense and from Mr. Nash's letter of November 5, 1951,[2] to Assistant Secretary Perkins, that a divergence of opinion exists as to how the Treaty should be implemented. The Department of State is aware that the Department of Defense is opposed to the inclusion of any military organization in connection with the Pacific Council and that it regards Article VII of the Treaty as political in character and not requiring military organization or planning.

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[1] Filed as an attachment to a memorandum of Apr. 11, from Ambassador Myron Melvin Cowen, consultant to the Secretary, to Acheson, not printed.

[2] Printed in *Foreign Relations*, 1951, vol. VI, Part 1, p. 252.

Australia and New Zealand, however, while agreeing that the organization of the Council should be kept as simple as possible, nevertheless, have consistently maintained that the Council should provide a mechanism for consultation between the three Governments consistent with Article II of the Treaty which states as an objective of the Treaty that the parties separately and jointly by means of continuous and effective self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack. Australia and New Zealand consider that the Treaty would be meaningless if military organization and military functions were excluded from the Council organization. They believe that attached to the Council of Foreign Ministers there should be a military committee which would meet at regular and stated intervals. They have not urged, however, that there need be any permanent military organization or secretariat.

As you know, Australia and New Zealand expressed serious misgivings about the Japanese Peace Treaty and were persuaded to accept it only because of the assurances extended to them in the Security Treaty negotiated with them by Mr. Dulles as the Special Representative of the President. At all times Australia has emphasized that through the Security Treaty it expected to obtain not only a formal security commitment but also a means of participating with the United States in planning which might later involve the disposition of Australian forces or resources. A treaty which did not meet both objectives would not have been acceptable to Australia and would not have ensured Australian support for the Japanese Peace Treaty. Neither Australia nor New Zealand, however, had any reason to believe that the Treaty in its final form did not provide for both a security guaranty and an effective consultative relationship with the United States. Indeed the President's statement of April 18, 1951, regarding the negotiation of a security treaty with Australia and New Zealand specifically recognized that the two countries were seeking a treaty pursuant to Articles 51 and 52 of the United Nations Charter, ". . . which would establish consultation to strengthen security on the basis of continuous and effective self-help and mutual aid." [3]

Any action on our part in connection with the implementation of the Security Treaty which could be interpreted by Australia and New Zealand as an attempt to detract from the effectiveness of the consultative machinery to be set up pursuant to the Treaty would be regarded by them as a breach of faith on the part of the United States. The Security Treaty, it is fair to say, has become the focal point in our relations with Australia and New Zealand. In view of this fact, failure on our part to provide effective implementation of the Treaty would have the most serious consequences for our relations with both countries.

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[3] For complete text, see Department of State *Bulletin*, Apr. 30, 1951, p. 699.

In order to meet this situation I would like to propose for your urgent consideration the following plans: There should at once be established the Council of Foreign Ministers, or their Deputies, to hold its inaugural session in the very near future. I would suggest that if possible and feasible, the first session be held in Australia the first week of May during the Coral Sea celebrations which are an occasion of great importance to Australia and New Zealand. Meetings of the Council could rotate between the three capitals concerned. I would further propose that to the Council there be attached a military committee on which the CINCPAC[4] would be the American representative and which would meet every three or four months at Pearl Harbor or rotate between Pearl Harbor, Melbourne and Auckland, if that seemed preferable. I would further propose that in order to assure proper liaison, one or two Australian and New Zealand officers of field grade rank be stationed at Pearl Harbor in a purely liaison capacity.

The United States has had full cooperation from Australia and New Zealand in support of the United Nations effort in Korea. Both countries through their membership in the Colombo Plan are making a contribution to economic measures in South and Southeast Asia which are designed to ameliorate conditions favoring the spread of Communism. Both countries are prepared in time of war to contribute to the defense of the Middle East, and Australia is sending two air squadrons to the Middle East to strengthen the British peacetime garrison there. The value of continued and increased Australian and New Zealand support for United States policies based on confidence and mutually cooperative relations is such that we should not jeopardize it by exposing ourselves to charges of bad faith in the matter of this Treaty, charges which would have obvious repercussions beyond Australia and New Zealand.

I am confident you will agree with me that under all these circumstances we are bound to proceed with the implementation of the Security Treaty in a manner which will fulfill the legitimate expectations of our Australian and New Zealand allies.

Sincerely yours,

DEAN ACHESON

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[4] Adm. Arthur W. Radford.

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The British Embassy to the Department of State

TOP SECRET
11923/6/52G

AIDE-MÉMOIRE

Reference is made to the State Department's *Aide-Mémoire* dated December 20th, 1951,[1] on the subject of the United Kingdom's recommendations for action to suppress contraband arms traffic in South East Asia.

2. In this *Aide-Mémoire* it was stated that the Government of the United States would be glad to give consideration to detailed proposals for an approach on this subject to other members of the North Atlantic Treaty Organization (N.A.T.O.), the Commonwealth countries which are not members of the N.A.T.O., and to the Governments of Switzerland and Sweden.

3. As regards the other members of the N.A.T.O., there is annexed a draft memorandum setting forth the lines on which this question might, in Her Majesty's Government's view, profitably be handled by the N.A.T.O. This memorandum is in the form of an Anglo-United States-French submission which might, if convenient, be made to the Council of the N.A.T.O.

4. As regards the question of non-Commonwealth countries outside the N.A.T.O., notably Switzerland and Sweden, Her Majesty's Government propose the following procedure:

> The United Kingdom, United States and French Government should exchange or furnish all information available to them about proposed shipments of arms and military equipment to South East Asia from either Switzerland or Sweden—or from any other non-N.A.T.O., non-Commonwealth countries—and agree to make joint representations to the country concerned where it is their common view that the proposed arms shipment is undesirable or excessive. The United Kingdom Government would propose, when the procedure is agreed, to make a suitable approach to the non-N.A.T.O. countries of the Commonwealth.

5. Her Majesty's Government in the United Kingdom would be glad to know the views of the United States Government on the foregoing proposals and on the draft memorandum referred to in paragraph 3 above and annexed to this *Aide-Mémoire*.

WASHINGTON, 21st April, 1952.

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[1] For text, see *Foreign Relations*, 1951, vol. VI, Part 1, p. 126.

[Annex]

ARMS SUPPLIES FOR SOUTH-EAST ASIA

The Governments of the United Kingdom, United States and France are impressed by the dangers inherent in an uncontrolled traffic in arms and military equipment in, and into, South-East Asia.

2. Part of this traffic is illicit, notably the supply of arms and equipment by the Chinese People's Governement to insurgent groups in the Associate States of Indo-China and in Burma. There is also some small amount of arms smuggling among the countries of South-East Asia. By far the greater part of the South-East Asian arms traffic consists, however, in orders placed by South-East Asian Governments with the "Western" nations.

3. It is natural that the newly emerged Governments of South-East Asia should wish to see themselves fully equipped militarily and should be tempted, under current conditions when Western re-armament threatens a growing stringency in arms supplies, to accumulate stockpiles of arms, ammunition and military equipment. This trend is nevertheless dangerous, both because of the competition thus offered to Western re-armament and because of the risk that in the conditions of local insecurity which exist in some South-East Asian countries such stocks of arms may fall into the hands of rebels seeking to undermine the government, or into the hands of smugglers—e.g. from Thailand and Indonesia into Malaya

4. It is therefore important that the Western Nations should co-operate to ensure that only such quantities and types of arms, ammunition and military equipment reach South-East Asian countries as can be regarded as necessary to ensure the internal security of the country concerned and to equip its armed forces in a manner appropriate to the stage of development attained by the latter.

5. In the view of the United Kingdom, United States and French Governments, this objective can best be achieved by action on the following lines:—

(a) All members of the North Atlantic Treaty Organisation should agree to inform the Military Representatives Committee immediately any request for the supply of arms, ammunition or other military equipment is received from any of the following governments: Burma, Thailand, Indonesia, Philippines.

(b) It should be the responsibility of each member of the Military Representatives Committee to report to his own government any such information communicated to the Committee, it being understood that if any government represented on the Committee wishes to express views on the proposed transaction it will do so within one month of the original communication of the information to the Committee.

(c) Any comments which other governments may have on the proposed transaction should be communicated in the first instance to the Military Representatives Committee where the representative of the government concerned in the transaction should—if necessary after consulting his government—inform the Committee whether these comments are accepted.

(d) Comment in the Military Representatives Committee will be in no sense binding on the government concerned in the transaction. But, if that government is unable to accept such comment, this should be made clear to the Committee, it being then left to the governments concerned to pursue the matter directly should they so desire.

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] April 23, 1952—11 a.m.

[Here follows a list of the persons present (24). All of the members of the Joint Chiefs of Staff except General Vandenberg attended the meeting. Matthews headed the Department of State group.]

Security Pact With Australia and New Zealand

Mr. Matthews: I thought we might discuss first this morning the establishment of a council under the Australian-New Zealand Pact.

General Bradley: Admiral Carney [2] has been here this morning and we have not had a chance to discuss this question in any detail. As you know, we are always worried about getting tied up in another formal committee.

Mr. Matthews: In short, what you want to do is the minimum.

Mr. Cowen: What is your maximum minimum?

General Bradley: We are prepared to coordinate with the Australians and New Zealanders; in fact, we want to do this, but we don't want a formal organization. If we do get one we will have to get one with everyone else. We already have the IADB, the Standing Committee,[3] and so forth and so on. How much are we stuck on this one?

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

[2] Adm. Robert B. Carney, USN, Commander in Chief, Allied Forces, Southern Europe, and Commander, Allied Naval Forces, Southern Europe (NATO commands), and Commander in Chief, U.S. Naval Forces, Eastern Atlantic and Mediterranean.

[3] The first reference is to the Inter-American Defense Board; the second is apparently to the NATO Standing Group.

Mr. Cowen: Our thought is that the organization should be primarily political. We intended to keep it out of Washington and put it, say, in Pearl Harbor.

General Bradley: I am sure the Navy wants to keep it out of Pearl Harbor. If we have got to have an organization we won't want to have regular meetings but just periodic meetings.

Mr. Cowen: I think our allies would be happier if we could arrange regular meetings.

General Bradley: We don't even have that in NATO. Our NATO meetings are periodic.

Mr. Cowen: Is that so? At any rate I think the Australians and New Zealanders would prefer regular meetings. There was some thought that they might have a couple of liaison officers in Honolulu.

Admiral Fechteler: Oh, no!

Mr. Matthews: Where do you want the organization situated?

General Bradley: Wherever the political organization is situated. Admiral Fechteler is opposed to locating it in Pearl Harbor. Personally, I don't think it would be so bad if there were only a few people. Do we have to have an organization under the Philippine Treaty also?

Mr. Cowen: No provision was made in the Philippine Pact for a council and I don't think we will have to have one, but specific provision was made in this pact.

General Bradley: Of course we don't anticipate much trouble in the Southern Pacific in the vicinity of Australia. What we want and need is flexibility to use the Seventh Fleet as may prove necessary. We don't want to hamstring ourselves by an excess of formal planning. We hope that trouble will never get down as far as Australia and New Zealand.

Mr. Cowen: Of course the Australians and New Zealanders want to get into all the Pacific planning if not more.

General Collins: That is just what scares us.

Mr. Cowen: Of course that is the point at which we begin our trading. I think we have to begin our trading on the basis of what they want.

General Bradley: Of course this might look differently if they were going to send a big fleet to the defense of Alaska.

Admiral Fechteler: Where is this big fleet?

Mr. Cowen: How far do you think you can go to meet their desires?

Admiral Fechteler: I think it is easier to say first what we don't want. I am speaking only for myself but in my judgment there are two things we don't want. In the first place we don't want a Combined Staff, and in the second place we don't see any necessity for a continuing liaison group. I can't imagine what they would do. I think we want to meet whenever there is some business to be transacted. It is routine for you to come over here [4] on Wednesdays but if there is nothing to take up you don't come over.

Mr. Matthews: The difference is that we can't go out and play golf when there is nothing to take up with you.

Mr. Allison: We have talked a good deal about this matter to the Australian Ambassador. He has grandiose ideas, and we certainly don't need to go as far as he wants to go. He wants a small NATO set-up. He also wants to be in on the planning for NATO and the Western Hemisphere. Above all, what they want is the feeling that they are treated equally and that they do not have to go through London on all these matters. They want to know what our over-all plan is.

Admiral Fechteler: We have told them that we guarantee them against invasion. I can't see what more they want.

Mr. Allison: They want to be in on military planning to some extent.

Admiral Fechteler: Do you know what the relationship is between the Australians and the U.K.? They have an arrangement by which any U.K. forces which are sent down there will be put under Australian command. If they are thinking of anything like that so far as we are concerned, all I can say is the hell with it.

Mr. Allison: They have never made any such suggestion to us and it is of course out of the question.

Mr. Cowen: They have a great sensitivity regarding their role. They made a real contribution in the last war and they want to have some forum of their own which is distinct from London so that they can feel grown up.

Mr. Foster: [5] There may be some idea here that the Australians are demanding something from us. I think that ought to be straightened out. This organization they want is something which they believe in good faith they are to get out of the treaty. I am sorry if anyone thinks they are holding a gun at our heads. There may have been some misunderstanding about exactly what the treaty language implied. I know they felt that an organization was something which the treaty would confer.

Admiral Fechteler: The answer to this may be to have an initial meeting with them to determine what is needed on a continuing basis. In other words, I don't think we ought to set this up on a permanent basis initially.

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[4] To the Pentagon.

[5] Andrew B. Foster, Deputy Director of the Office of British Commonwealth and Northern European Affairs.

Mr. Matthews: You would like a meeting to discuss what we would do in the future?

Admiral Fechteler: That is right. When they discuss this thing they may find out they don't have enough people to do unnecessary things. In this connection, I recall that when I was setting up SACLANT I needed some officers from the U.K. and the British told me they could not afford so many people for this purpose

General Bradley: As far as a political council is concerned that is fine with us. Your proposal involves attaching to this a military committee which would meet every three or four months in Pearl Harbor, or on a rotating basis in the three countries. If this military committee is on NATO lines, that would go too far in our judgment. If we could redefine "military committee" to mean "military consultants to the Foreign Ministers" I think that would help.

General Collins: As regards the meetings, could we not say they would be held periodically as required?

Mr. Cowen: This language you are referring to is our own language and we are not committed to it in any way.

General Bradley: Personally, I am not opposed to military liaison at Pearl Harbor. I would like to suggest another term for military committee and I would like to suggest that the military representatives should meet periodically, as required.

General Collins: We might call them "military advisers".

General Bradley: We might revise this to read "to attach to the council such military advisers as needed".

General Collins: Instead of "attach" I think we might merely say that each country would make military advisers available.

General Bradley: Of course we have got to continue the coordination of military planning through CINCPAC.

Admiral Fechteler: Do Australia and New Zealand really want to have officers stationed at Pearl Harbor?

Mr. Allison: I think they wanted officers stationed in Washington but we have tried to keep them out of Washington.

Admiral Fechteler: I just don't see what they would do six days a week at Pearl Harbor.

Mr. Matthews: Well at any rate, Admiral, if they are at Pearl Harbor they cannot bother you. I don't believe the Australians and New Zealanders care much where they are stationed.

Admiral Fechteler: They aren't going to bother me anyway.

Mr. Foster: I don't think the Australians and New Zealanders care whether the headquarters is at Washington or Pearl Harbor.

Mr. Nitze: How does CINCPAC actually go about the job of coordination?

Admiral Fechteler: He has gone down to visit these people himself. He has not been there for more than a year, however.

Mr. Cowen: And General Collins has been down.

General Collins: I don't think we should mention planning in this. Planning is in my judgment the danger area.

General Bradley: I don't see how we can get away from that.

General Collins: I wouldn't say anything about it. I would refer to the military advisers, etc., and if they ask about planning, I would say this would continue as before. After all, we are not much interested in joint planning for the Pacific. Our interest is to get some Australian and New Zealand troops into the Middle East. If they engage in joint planning for the Pacific their prestige will become involved and they will feel they have to do something in the Pacific. The whole point of this has been to protect them in the Pacific in order that they could do something in the Middle East.

General Bradley: Of course that is a good argument for having the organization in Washington rather than in the Pacific. If it was here we could keep emphasizing the importance of the Middle East.

General Collins: I don't object to having it in Washington.

Admiral Fechteler: I propose language along the following lines: "Military consultants will be attached to the council. CINCPAC will be the U.S. representative. Meetings will be held periodically as required. Military consultants will be stationed at Pearl Harbor on permanent or intermittent basis as developments indicate."

Mr. Foster: May I suggest that if we meet the Australians and New Zealanders on the question of form, it would be easier to rule out the substantive matters which we don't want to talk about. I think we will find our problem much easier to solve if we go far to meet them on the organizational arrangements, and provide a place in which they can ask questions—even if the answers they get are "no".

Mr. Cowen: There is some urgency about all this because the Australian Prime Minister is coming here soon. This is one of our problems.

General Bradley: We don't want to talk about joint plans outside the areas of common interest. It is okay to plan for the Southern Pacific and it will be okay if we can hold them to that. I think we have to recognize that we are committed by the treaty to do more than we would really like to do from the purely military point of view.

Mr. Nitze: Could we call these people military representatives? I think it would go down somewhat better.

General Bradley: I think that is okay. Do you have any comments, Mr. Nash? [6]

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[6] Frank C. Nash, Assistant to the Secretary of Defense (International Security Affairs).

Mr. Nash: No, I don't think so. A solution along the lines which have been discussed this morning sounds okay to me.

General Bradley: Do we want a liaison arrangement of some kind? Personally, I think they will get tired of hanging around with nothing to do. They may stay around for a few months and then I think their absences would grow longer and longer and the whole thing might be solved.

General Collins: I have worked up some draft language here which goes as follows: "I would further propose that to the Council there be attached military representatives who would meet periodically as required at Pearl Harbor, or on a rotating basis in Australia, New Zealand and Pearl Harbor. CINCPAC will be the American representative. I would further propose that in order to assure proper liaison two officers of field rank should be stationed at Pearl Harbor on a regular or intermittent basis as developments indicate."

Mr. Matthews: When is Prime Minister Menzies [7] coming?

Mr. Foster: About the middle of May.

General Bradley: I think General Collins' language meets our needs.

Mr. Matthews: Is it the procedure, then, that you will reply to this letter we have sent over? [8]

General Bradley: Yes, that is the way to handle it.

(At this point Mr. Cowen and Mr. Foster left the meeting.)

[Here follows discussion of Korea and of disarmament.]

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[7] Robert Gordon Menzies, Prime Minister of Australia.

[8] The Secretary's letter of Apr. 4 to Lovett, p. 75.

490.008/4-2152

Memorandum of Conversation, by the Director of the Office of Philippine and Southeast Asian Affairs (Lacy)

TOP SECRET [WASHINGTON,] May 2, 1952.

Subject: Contraband Arms Traffic in Southeast Asia.

Participants: Mr. Tomlinson, Counselor, British Embassy
Mr. Lacy—PSA

I asked Mr. Tomlinson to come in today concerning the attached British *Aide-Mémoire* No. 11923/6/52G.[1] I told Mr. Tomlinson that I wished to speak to him personally about this matter and to solicit his personal advice. I told him that I was eager to avoid making a negative reply to the last British *Aide-Mémoire* on this subject but that my colleagues and I were unsatisfied on the following points:

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[1] Dated Apr. 21, p. 78.

1. That we considered we were still not in receipt of evidence, which we invited in our *Aide-Mémoire* of December 20, 1951 that the countries in Southeast Asia were accumulating stock piles of arms beyond their requirements for internal security;
2. That we were uneasy about imposing upon ourselves the obligation to delay the dispatch of arms under our MDAP programs by one month; and
3. That I was not sure that His Majesty's Government and the United States Government would wish to make full revelation of their arms assistance programs to all the other members of NATO. I furthermore pointed out that if any of the Southeast Asian countries were to learn, as I was sure they ultimately would, that American MDAP Programs were submitted to NATO for approval the reaction in those countries would be violently adverse. Mr. Tomlinson agreed to this proposition.

Mr. Tomlinson volunteered to write a personal letter to Mr. Scott [2] in the Foreign Office advising Mr. Scott of our reservations.

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[2] Robert Heatlie Scott, Assistant Under Secretary of State, whose duties included supervision of the Southeast Asia Department.

Editorial Note

In a memorandum to the Secretary of State on May 9, George W. Perkins, Assistant Secretary of State for European Affairs, stated in part that in a letter of May 5 from William C. Foster, Deputy Secretary of Defense, the Department of Defense had confirmed "the understanding arrived at between State and Defense at a meeting between the Joint Chiefs of Staff and Ambassador Cowen on April 23 concerning the implementation of the Security Treaty with Australia and New Zealand. As you know, we have been gratified by the responsiveness of the Chiefs in this difficult situation and we hope that what we propose will be found acceptable by Australia and New Zealand." (Conference files, lot 59 D 95, CF 115; Foster's letter is in JCS records, CCS 381 (2–18–51))

On May 13, Ambassador Cowen presented to Ambassador Munro and to Colin Moodie, Counselor of the Embassy of Australia, identical notes signed by the Secretary. The section on military representation follows:

"The Government of the United States suggests that in support of the Pacific Council military representatives be accredited to the

Council to meet periodically as required at Pearl Harbor or to rotate between Pearl Harbor, Australia and New Zealand, if that seems preferable. The Commander in Chief of the Pacific Fleet, or an alternate designated by him, would be the American representative. In addition, in order to assure proper liaison, one or two Australian and New Zealand officers of field grade rank might be accredited to Pearl Harbor in a liaison capacity on a regular or an intermittent basis as developments may indicate.

"The United States suggests that meetings of the Pacific Council might be held alternately in the capitals of the three countries. The views of the Australian Government on this suggestion and on the time and place for the initial meeting of the Council would be welcomed." (Lot 59 D 95, CF 115)

In his memorandum of May 9, Perkins had also urged the Secretary to attend "at least" the opening session of the Pacific Council. "We have no wish to add to your existing burdens, but we feel bound to recall to you that the Treaty states that the Council consists of 'the Foreign Ministers or their Deputies'. Moreover, we believe you will agree that we owe it to our Australian and New Zealand friends to get this enterprise off to the best possible start."

PPS files, lot 64 D 563

Memorandum of Conversation, by the Director of the Policy Planning Staff (Nitze) [1]

TOP SECRET [WASHINGTON,] May 12, 1952.

Subject: Indochina

Participants:

Defense	*State*
Robert A. Lovett	Dean Acheson
William C. Foster	David K. Bruce
Frank Pace, Jr.	H. Freeman Matthews
Dan A. Kimball	Charles E. Bohlen
Roswell L. Gilpatric	John M. Allison
Charles P. Noyes	Paul H. Nitze
Gen. Nathan F. Twining	
Gen. Omar Bradley	

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[1] Actions leading up to this meeting are documented in Lovett's letter (with enclosures) to the Secretary of State, May 1, and Allison's memorandum (with enclosures) to the Secretary, May 7; for texts, see vol. XIII, Part 1, pp. 113 and 124.

Participants in the list below not previously identified include Frank Pace, Jr., Secretary of the Army; Dan A. Kimball, Secretary of the Navy; Roswell L. Gilpatric, Under Secretary of the Air Force; Charles P. Noyes, Deputy (Defense) Representative to the Senior Staff, National Security Council; Lt. Gen. Charles L. Bolté, Deputy Chief of Staff for Plans and Research, U.S. Army.

Bruce became Under Secretary of State on Feb. 7.

Gen. Charles L. Bolte
Adm. William M. Fechteler
Adm. Edmund T. Wooldridge

Mr. Acheson opened the discussion by saying that there were certain difficult problems concerned with the question of the action we might take in the event of Chinese intervention in Indochina on which it would be helpful if we had greater clarity. He said he would appreciate having the JCS discuss the actions they had in mind.

General Bradley said that he had read the various papers and felt that they reflected a different approach by the State Department and the JCS. It would seem clear that if there was overt Chinese intervention we could not stand aside, and that we might either limit our military action to the approaches to Indochina or we might go to the source of the aggression with air action and a naval blockade. He said that he gathered from the papers submitted to the NSC [2] that the State Department favored the first approach. The Joint Chiefs were inclined to favor the second approach. Neither of the two approaches would necessarily be decisive against China, nor would they necessarily result in the defense of Southeast Asia.

The second approach, however, did not get us so deeply involved as the first. If we were to land forces in Indochina, it would be extremely difficult for us to get them out. It would also take approximately a year to build the necessary airfields and port facilities. The JCS were thinking primarily of the deterrent effect of being willing to undertake an action rather than whether the action in itself would be decisive. The second approach would involve some shift of naval forces from Korea and from the Atlantic to the Pacific in order to make possible the blockade action. There would also have to be a shift of air strength of some eight wings.

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[2] Reference is to the studies undertaken in response to NSC Action No. 614; see footnote 7, p. 75. None of these studies completed prior to the May 12 meeting documented here is printed. Most are in S/S–NSC files, lots 63 D 351 and 61 D 167.

Some of these studies include estimates of the probable success of diplomatic and/or military action undertaken under two alternative hypothetical courses. In a memorandum of Mar. 13 to the Secretaries of State and Defense signed by Lay, the NSC Staff had formulated these courses as follows:

"Estimates should assume the support of our major allies and should be prepared on two hypotheses:

"a. On the hypothesis that allied operations are directed toward the defense of Southeast Asia and that operations against Communist China are limited to the area of or approaches to the land battle in opposition to the aggressor forces.

"b. On the hypothesis that allied military operations are accompanied by military action against the source of aggression, namely Communist China itself." (S/S–NSC files, lot 63 D 351, NSC 124 Series)

Mr. Nitze pointed out that the State Department's paper [3] to which General Bradley referred was an answer to a specific request from the NSC for the diplomatic courses of action necessary to secure support for hypothesis (a) and hypothesis (b). There would be no particular problem from the diplomatic standpoint for securing the support for course (a) as this is the course which the British and French already support. It would be very difficult, however, to secure diplomatic support for course (b) in view of the fact that this course would probably not be decisive and would not result in securing Southeast Asia. Our paper was not intended to be a recommendation as to the relative advisability of course (a) or course (b), but was intended merely to answer the questions which we had been asked to answer by the NSC.

Mr. Acheson asked Mr. Bohlen as to the types of action which might involve Russian implementation of the Sino-Soviet Treaty.

Mr. Bohlen said that military action close to the Soviet borders or military action which threatens to result in the establishment of an anti-Communist regime, particularly in north China, would be more apt than any others to cause the Russians to implement the treaty.

General Bradley said that it would be difficult to make a blockade effective if it did not include virtually all of the Chinese coast line.

Mr. Bohlen said that the naval blockade of north Korea had presented no particular problem to the Soviets and he doubted whether a full blockade of the Chinese coast line would present any problem other than at Dairen and Port Arthur which are Russian-controlled ports.

Mr. Acheson asked what air action the Joint Chiefs had in mind.

General Bradley said that they had in mind attacks against transportation targets and the Chinese communication net.

Mr. Nitze said that he had thought that there was an additional problem—neutralizing the Chinese air forces—which might require air action against Chinese bases in Manchuria.

General Bradley said that this was so. That recent photographs had indicated that there were 412 jets on fields within 50 miles of the Yalu River.

Admiral Fechteler said that Admiral Radford had had a conference with Admiral Ortoli [4] at which Admiral Ortoli had said that the French could not evacuate the Tonkin Delta. The populace would turn on them and the result would be a general massacre. Any attempt to help the French evacuate would require a major naval effort under circumstances of extreme difficulty.

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[3] Apparent reference to the Department of State memorandum of Apr. 29 to Lay, not printed, distributed to NSC members Apr. 30. In it, the Department had generally supported option "a" on the ground that it would be more likely that such operations would attract the support of major allies of the United States. (S/S–NSC files, lot 61 D 167)

[4] Vice Adm. Paul Ortoli, Commander of French Naval Forces in the Far East, had conferred with Admiral Radford at Pearl Harbor, Apr. 3–7.

Mr. Pace said that he had been looking at the question from the standpoint of what action would be more apt to prevent Chinese intervention. He wondered if an attack against the Chinese would be more persuasive than action restricted to the approaches to Indochina.

Mr. Matthews said that in any case the warning to the Chinese should not be specific as to the action we proposed to take. We should leave them guessing as to what we had in mind.

Mr. Acheson said that even if it were unwise to be specific as to the action we would take, it might be dangerous if the ten on our side could not agree on what it is that they are going to do. We may be faced with a dilemma in that it may be necessary to take action which will be expensive, both in terms of what we do and in terms of what we have to divert from other theaters.

Mr. Lovett said that he agreed that it was not necessary to be specific in our warning. However, he was concerned about the weakness of our Allies. What was it that we expected them to do?

Mr. Nitze said that even under course (b) we would look to the British for the defense of the Kra Isthmus. He went on to say that he thought there was a real problem in getting over the difficulties which plagued the recent discussions in which Admiral Davis represented the JCS. At that time the British and French objected to course (b) because they doubted whether it would be decisive. He thought this would be hard to answer unless one was prepared to get into the question of the use of atomic weapons.

[Here follows discussion of Indochina, printed in volume XIII, Part 1, page 141.]

Mr. Acheson attempted to summarize the sense of the meeting in the following terms. We should agree as to what it is we want to do. We want to keep both the French and the Vietnamese in the battle. In order to accomplish that it will be necessary to enlarge the Vietnamese army so that there is some hope both for the Vietnamese and for the French. It will require intensive study to see how this will be done. Where are we going to get the money and other things to get started. We might make some progress with the French if the U.S. assists in their training program. The second part of the problem concerns the possibility of Chinese overt intervention. There should be a warning. It should indicate that aggression would be followed by action which would be painful to the source of aggression. What are the elements on which we can agree. The French should put out of their minds the possibility of

U.S. ground forces participating in Indochina. We are prepared to give naval and air support. What is the first thing that needs to be done. We should obviously attack those things which are supporting the aggression. We should attack the communications to the area of aggression. Then we might take up the problem of a blockade. We should have thoroughly thought-out answers to the problems which would then arise. Probably it will be necessary to go further. We can probably agree that, unless there is also trouble in Korea, we should not go into Manchuria.

Mr. Foster said that he thought any such program should be accompanied with measures of the type Mr. Bruce mentioned. The non-cooperative French functionaries should be removed. The necessary political and economic measures in Indochina must go right along with the military measures Mr. Acheson had outlined. This may require putting considerable pressure on the French. What we need is action—not words.

Mr. Lovett suggested that Mr. Noyes and a representative of the State Department and the JCS prepare a paper which could be used by Mr. Acheson when he goes to Paris.[5] He also suggested that it may be necessary to screen our position preliminarily on the Hill. Many of our friends think we are now a fat boy with a bag of candy who is in danger of having the whole bag taken away.

Mr. Pace said he thought that the proposition which had been developed was a salable and affirmative proposition.

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[5] Acheson left Washington for Europe on May 22 in connection with a variety of matters including NATO, EDC, Southeast Asia, and relations with France, the Federal Republic of Germany, and the United Kingdom. He was in Paris May 26–29 and arrived back in Washington May 30. Regarding this trip, see the editorial note in vol. v, Part 2, p. 1543.

611.90/5–1952

Memorandum by Lucius D. Battle, Special Assistant to the Secretary of State

TOP SECRET [WASHINGTON,] May 19, 1952.

Following the meeting at the White House today which the Secretary, Mr. Lovett and General Bradley attended with the President, the Secretary told a group in his office the results of the discussion.

Regarding Indochina and Southeast Asia, he said that they had gone over the paper which he took with him.[1] He said the military people were agreed on what was to be done now. They said that unless Congress cuts the funds badly there would be funds available. He said that Mr. Lovett and General Bradley both mentioned the importance of having a better government in Indochina.

The representatives of the military establishment as well as the President agreed on the necessity for the warning statement. They felt that there must be some measure of agreement on this statement but not necessarily on all points. The JCS have prepared a paper [2] criticizing our paper but apparently not violently. The Secretary said the only point General Bradley mentioned concerned the last sentence of our paper.[3] The points seem to be that they interpret this as a direction to fight a kind of war they fear they could not win.

The Secretary said we would go ahead with the NSC paper on Southeast Asia and were to run this one and the NSC paper through side by side.

As to what the Secretary says in his discussions with Mr. Eden and Mr. Schuman, he is to stress the necessity for getting ahead with the native army, stress the importance of a warning to prevent the Chinese from coming into the conflict, and to try to get the largest degree of agreement possible on the content of this warning.

[Here follows discussion of the Berlin question.]

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[1] "Position Paper on Indochina for Discussions with the French and the British", May 15, an annex to a memorandum for the Secretary dated May 17, not printed. (751G.00/5–1752)

[2] Memorandum for the Secretary of Defense of May 19, signed by General Bradley for the JCS, printed as an enclosure to Lovett's letter of May 20 to Acheson. For text, see vol. XIII, Part 1, p. 147.

[3] "We believe that the USSR will be less likely to make war on the Western powers over China alone to the degree that operations against China are designed to strike against Chinese Communist capabilities to wage war in the particular areas involved, i.e., to minimize or avoid provocative attacks on areas of China proximate to the USSR, and to the degree that the USSR does not believe that the Peiping regime is threatened with destruction."

790.5/5-2452: Telegram

The Acting Secretary of State to the Embassy in Australia [1]

TOP SECRET WASHINGTON, May 24, 1952—1:50 p.m.

215. Fol White House luncheon [May 20] the President, Menzies [2] and the Secy exchanged private remarks re estab Pac Council. President stated importance US attached to matter, hoped first mtg cld be in Austral and that Secy cld attend.[3]

In subsequent conversation at Dept [4] Menzies raised fol subjs with Secy:

1. NATO: Austral does not request membership but because NATO decisions have direct effect Austral, some form access NATO planning desirable. Since NATO decisions affect everyone Austral shld have right to be heard with respect gen strategic decisions and especially on matters directly affecting Austral.
2. Mil Supply Requirements: Supply problem not primarily connected defense Austral territory. Direct attack unlikely; therefore Austral desires be able contribute expeditionary forces where needed in minimum amt time. This problem now more difficult in view Austral growing pains from rapid population increase and need for major development program. Assistance required prepare Austral make proper contributions for example ME where thought given supplying 8 or 9 air squadrons. However cost equipment squadrons $200 million and Austral does not have these dollars. IBRD he said cld not lend for such direct defense purpose. Expressed view uneconomical small countries manufacture this type equipment; preferable large countries supply for smaller.
3. Southeast Asia: Expressed great concern situation Indochi and feared its loss wld mean loss rest of Southeast Asia. In such contingency Austral people wld never permit desp troops outside area, for example to ME. Apprehensive that in preparing for hot war we might lose cold war in Southeast Asia.

Secy in reply stated we are open minded on desirability NATO working out some method dealing with countries outside NATO area. Austral belief that NATO engaged in global planning, however, based on fundamental misconception. NATO deals solely with defense Eur and we and Brit have always resisted developing NATO into global planning instrumentality. Some of smaller countries NATO even opposed idea same men constituting NATO Standing Group wearing different hats cld give guidance MEC. It is no doubt a defect that there is no place now where internatl global planning is taking place. Secy said we were trying to meet problem through regional orgs—NATO, MEC and the estab of the Pac Council. He stressed that he did not mean by these remarks to detract from tremendous importance of NATO.

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[1] Repeated to London and Ottawa; pouched to Wellington.

[2] The Prime Minister was in the United States May 16–21 for an informal visit, prior to visits to Ottawa and London.

[3] In telegram 214 to Canberra, May 23 repeated to Wellington, the Department of State stated that the Embassies of Australia and New Zealand had been informed on May 22 that the Secretary wished to attend and would be able to do so if the meeting were held in Washington in mid-July; however, the proposal had been put forth as a suggestion, not a recommendation. (790.5/5–2352)

[4] A lengthier account of this conversation, held May 20, is in a memorandum by G. Hayden Raynor of BNA. (Conference files, lot 59 D 95, CF 115)

On question supplies Secy pointed out US programs even for NATO countries handled on bilateral basis. We have given nr 1 priority to Kor and nr 2 priority to Indochi. Result has delayed deliveries NATO countries as much as 18 months.

Secy told Menzies re Southeast Asia warning to Chi might be helpful but question was what we shld do if warning disregarded. It wld be catastrophic if warning ignored and then nothing done. He pointed out these questions not discussed in NATO but with Pac powers.

On ME Secy stressed importance recognition Egypt king's title in Sudan and our conviction no stability possible ME until Anglo-Egypt dispute settlement.

In concluding discussion Menzies emphasized importance to Austral Pac Council and desirability getting it started soon. Secy stated we agreed and that he hoped to be free to participate mtg Council some time in July. While Austral mentioned in conversation as possible place for mtg Dept has suggested Wash.

Australs seem pleased progress conversations. Will return Wash June 19-22 after Lond, Ottawa. (More re mtg Pac Council and IBRD negots in separate tel.)[5]

BRUCE

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[5] Not printed.

Conference files, lot 59 D 95, CF 110

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Secretary of State

TOP SECRET [WASHINGTON,] May 21, 1952.

Subject: White House Conference on May 19th with the President, Mr. Lovett and General Bradley concerning Indochina and Berlin.

It is believed that for purposes of reconciling the various briefing and background papers pertaining to Indochina which have been prepared for your forthcoming discussions in Paris and Bonn it would be useful if the following résumé was submitted for your guidance. It is our understanding that at the White House Conference referred to above it was agreed that the subjects to be discussed with the French and British regarding Indochina could be reduced to four major topics:

1. We are in favor of further development of the National Armies of the Associated States and are prepared to furnish further assistance toward that end.
2. The French and British should be informed that we are in favor of the issuance of a warning to Communist China concerning further aggression in Southeast Asia and wish to work out the context, time and method by which the warning will be delivered in advance in detail with the British and French. This means, among other things, that we will agree to take part in the tripartite military conversations which will undoubtedly be proposed.
3. As large a measure of agreement as is possible should be reached regarding the reaction to be anticipated from the Peking regime following the issuance of the warning and the courses of action open to the U.S., Great Britain and France if the warning statement is ignored.
4. We will seek to avoid engagement with the French concerning specific internal changes in Indochina except as they regard financial aid to France for development of the National Armies and form a basis for the discussions to be held in Washington with Minister Letourneau in June. [1]

No reference was made at the White House to the possibility that you might be faced with a request from the U.K. that we agree to bilateral military conversations with them prior to the trilateral conversations.

It was stated that you would avoid reference to any specific sum in referring to additional financial aid to be provided to the French.

It was also stated that you would seek to avoid any detailed discussion of the military aspects of retaliation, referring such matters to the proposed trilateral military conversation.

Aside from the above observations, the briefing papers included in your book dealing with this subject

1. SCEM D-5/2a "Southeast Asia" (as amended May 20th)
2. SCEM D-5/1b, "Possible French Request for Additional Aid" (as amended May 20th) [2]

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[1] Regarding the visit of Jean Letourneau to Washington, June 16-17, see vol. XIII, Part 1, pp. 174 ff.

Letourneau was responsible for relations with the Associated States, with the rank of Minister of State, and High Commissioner in Indochina.

[2] Neither printed. The amended papers actually bear the designations "SCEM D-5/2b" and "SCEM D-5/1c", respectively. (Conference files, lot 59 D 95, CF 110)

are to serve as negotiating papers and the background paper

"Background paper on Indochina for Discussions with the French and British" (as amended on May 20th following receipt of views and comments of the Joint Chiefs of Staff [3])

as a background paper.[4]

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[3] For text of SCEM D-6/11, May 21, see vol. XIII, Part 1, p. 150.

[4] Allison's memorandum was transmitted as telegram Telac 2, May 23, to Paris (where the Secretary arrived May 26). (751G.00/5-2352)

Conference files, lot 59 D 95, CF 108

United States Minute of Bipartite Foreign Ministers Meeting With the United Kingdom [1]

[Extract]

SECRET [PARIS,] May 26, 1952—9:45 p.m.

SCEM MIN-1

Participants:

U.S.	*U.K.*
The Secretary	Mr. Eden
Ambassador Jessup	Sir Oliver Harvey
Ambassador Dunn	Sir Pierson Dixon
Ambassador Gifford	Mr. Roberts
Mr. Perkins	Mr. Shuckburgh
Mr. Stabler	

. . . .

Southeast Asia

31. The Secretary said that the US is now ready to proceed with discussions with the UK and France on Southeast Asia. We had no specific solutions in mind but thought it would be useful to explore the avenues through which solutions may or may not be found. We believed it would be desirable to step up development of the Associated States Armed Forces which would give confidence to the Viet-

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[1] Meeting held at the Residence of the British Ambassador. U.S. participants not previously identified are Philip C. Jessup, Ambassador at Large; James C. Dunn, Ambassador to France; Walter S. Gifford, Ambassador to the United Kingdom; Wells Stabler, Officer in Charge, Egypt and Anglo-Egyptian Sudan Affairs.

British participants not previously identified are Sir Oliver Harvey, Ambassador to France; Sir Pierson Dixon, Deputy Under Secretary of State, Foreign Office; Frank Roberts, Deputy Under Secretary of State (German Affairs), Foreign Office; Charles Shuckburgh, Private Secretary to Eden.

namese. We must give some hope to the French by increasing our assistance in financial, technical and supply fields. The U.S. on the basis of the Korean experience could give considerable assistance in the technical training of the Associated States armies which now is being done by rather outmoded French systems. The Secretary went on to say that all our efforts concerning Southeast Asia could be defeated if the Chinese Communists took aggressive action. It was therefore necessary for the UK, the US, and France to consider the possibility of issuing a warning, perhaps privately, to the Chinese Communists.

32. It would be necessary also to consider what we would do if the warning was not heeded. The Secretary said there were three main thoughts on this question: (1) We are lost if we lose Southeast Asia without a fight; (2) We must do what we can to save Southeast Asia; and (3) We must do it without starting a world war.

33. The Secretary said he would speak to Schuman and propose talks concerning the political and military fields in the near future. He also mentioned that Letourneau was coming to the U.S. next month.[2]

34. Mr. Eden said he entirely agreed with the Secretary's views and he would be prepared to discuss this question whenever we wished. He said that Churchill understood the importance of Southeast Asia more than he did before and realised the gravity of the situation there. Mr. Eden also mentioned the extreme delicacy of the UK position in Hong Kong affecting this entire problem. Sir [Oliver] Harvey said that the French believed they can hold in Indochina as long as the Chinese Communists do not come in.

35. Mr. Eden said there was no UK objection to a blockade of the China coast as a specific response to a Chinese intervention in Indochina. The UK's objection was to general talk of a blockade of China unrelated to specific acts. He agreed political talks on this subject might be continued in June when the Secretary was in Europe and that military talks might take place in Washington.

. . . .

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[2] See footnote 1, *supra*.

Conference files, lot 59 D 95, CF 119

Memorandum From the New Zealand Embassy to the Department of State [1]

SECRET [WASHINGTON, undated.]

PRELIMINARY NEW ZEALAND VIEWS ON ORGANISATION, FUNCTIONS AND LOCATION OF ANZUS COUNCIL

1. GENERAL APPROACH

(a) New Zealand should seek to establish a relationship with the United States permitting more direct consultation on Pacific problems than is now possible.

(b) Organisation arising out of Treaty should therefore as a minimum provide effective means for exchange of views on political and strategic developments in the area and also for cooperation at the service level on joint defence planning.

(c) Scope of the Council and subsidiary bodies should be confined to political and military questions since the Council is unlikely to achieve in the economic and social field anything that cannot already be achieved through existing agencies and direct exchanges.

(d) In accordance with Article II we must work closely with the United States on plans for defence in the Pacific area.

2. COUNCIL

(a) *Composition*—Initial meeting, and, as often as possible, subsequent meetings, should be attended by Foreign Ministers, but normally parties will be represented by deputies. If Washington is the permanent seat Australia and New Zealand would be represented by Ambassadors and United States by a civilian of equal status. Each deputy holding presidency in turn, possibly a year.

(b) *Regular meetings*—Regular Council meetings should be held once a year (e.g. at time of United Nations Assembly) with special meetings at request of any party.

(c) *Functions*—The Council might first consider arrangements for consultation on political, strategic and military questions between meetings and steps necessary to implement Article VIII. This would include examination of liaison arrangements between any military committee and existing organs.

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[1] Attached to a memorandum of July 22, by Christopher Van Hollen of the Executive Secretariat. The memorandum reads as follows: "Attached for information are the preliminary views of New Zealand on the organization of the ANZUS Council. These views were presented to Messrs. Raynor and Foster by New Zealand Ambassador Munro on May 27, 1952." The memorandum and its attachment are designated HON D-2/4 in the series of background papers assembled for the Council meeting, held in Honolulu Aug. 4–6, by a Steering Group chaired by Van Hollen.

Continuing functions might include periodic review of political and security situation in the Pacific which would give Australia and New Zealand a better opportunity of pressing their views on questions of special concern to them.

Note: Early decisions are necessary on

(i) time and place of first meeting of Council.
(ii) possibility of preliminary meetings
  (a) at deputy level to discuss agenda,
  (b) of military sub-committee
(iii) agenda of first meeting.

3. MILITARY COMMITTEE

If the Council is in Washington subsidiary military committee might be created with responsibility for maintaining liasion with existing Pacific defence planning groups and advising and reporting to the Council. It would meet regularly and frequently. New Zealand and Australian representatives could be drawn from service missions in Washington.

The United States Proposal [2] is that:

> "Military representatives be accredited to the Council to meet periodically as required at Pearl Harbour or to rotate between Pearl Harbour, Australia and New Zealand if that seems preferable. The Commander in Chief of the Pacific fleet, or an alternate designated by him, would be the American representative. In addition in order to assure proper liaison one or two Australian and New Zealand officers of field grade rank might be accredited to Pearl Harbour in a liaison capacity on a regular or an intermittent basis as developments might indicate."

The New Zealand comment on the United States proposal is as follows:

> "It would appear that there is some confusion between requirements for liaison on defence plans between adjoining commands in the Pacific and the broader and more general strategic problems with which we conceive the military committee will be primarily concerned.
>
> "There is a definite need now for liaison with the Commander in Chief, Pacific at Honolulu, on defence problems in the ANZAM [3] region and those New Zealand and United Kingdom islands in the South Pacific which are outside that region. This liaison has already been launched in the case of the ANZAM region by the meeting held at Honolulu between Admiral Radford, Admiral Col-

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[2] See the editorial note, p. 86.

[3] An acronym for "Australia-New Zealand-and-Malaya". Regarding this Commonwealth regional defense area, see HON Special 4 of July 30, p. 161.

lins[4] and Commodore Ballance[5] in February 1951.[6] We expect that this liaison machinery will now be developed; the efficacy of it would naturally be one of the general questions with which the military committee would be concerned.

"We had conceived the military committee as a standing body which would be concerned with the general strategic problems arising in the Pacific area (which is broader than CINCPAC's command) and their implications for New Zealand and Australia. Some forum of the kind where we can discuss these broad issues is necessary so enabling us to appreciate their relation to global strategy and the possible effect on our commitments in other theatres. Because the Treaty can give rise to substantial commitments, it is important that the Council should be served by a military committee which is also to study broad strategical questions on a Chiefs of Staff level and whose members would be in a position to give effective advice to their Governments. Moreover in the event of war we will need some machinery of the kind and it would be desirable, therefore, to have it established in peace. The Committee would naturally also be concerned with the efficacy of the liaison machinery covering the problems mentioned in the preceding paragraphs but we do not anticipate that this will present any particular difficulty.

"The obvious location for the military committee in our view is Washington, as the United States Chiefs of Staff and the Defense Department are established there. As to the suggestion of the United States that the committee representatives should meet periodically at Honolulu and other places in the Pacific, it must, in our view have a permanent location which, for the reasons stated, should be Washington, and a regular task. We can appreciate that the United States service authorities will not wish to have an unduly elaborate machinery; we do not envisage any ourselves, but we are concerned to ensure that the machinery established under the Treaty is effective."

4. LOCATION OF COUNCIL

Establishment of the Council in Canberra might lead to ineffective American participation and Washington as the centre of Western defence planning is preferred, especially as providing best access to American military and political planning organisations. Council might, however, in order to emphasise its special concern with Pacific problems, meet in the Pacific area from time to time.

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[4] Rear Adm. Sir J. A. Collins, First Naval Member of the Naval Board of Australia.

[5] Commodore F.A. Ballance, Chief of the Naval Staff and First Naval Member of the Naval Board of New Zealand.

[6] A résumé of these talks, held in Honolulu Feb. 26–Mar. 2, 1951, is in HON D-2/2, July 28, not printed. (Conference files, lot 59 D 95, CF 119)

5. SECRETARIAT

Separate permanent Secretariat might be unnecessary since State Department and Embassies could during tenure of their representative as president direct Secretariat which could be provided on joint basis to keep records, receive correspondence, circulate reports, etc.

6. CONSULTATION WITH OTHER STATES AND REGIONAL ORGANISATIONS

(Article VIII) New Zealand is anxious to have closest consultation with United Kingdom on operation of Treaty because of its special position not only as a result of its direct participation in ANZAM planning but also because New Zealand and Australia have commitments to the United Kingdom in the Middle East Theatre. Council of Ministers might therefore acknowledge this special position by inviting United Kingdom to send representative to Council meetings and participate in the work of the military committee.

Consultation with Japan and the Philippines as participants in similar security agreements might best be effected by nominating United States as channel of consultation. Any decision to other countries equivalent status to that proposed for United Kingdom should be deferred.

Conference files, lot 59 D 95, CF 108

United States Minute of Tripartite Foreign Ministers Meeting With France and the United Kingdom [1]

TOP SECRET [PARIS,] May 28, 1952—10:30 a. m.

SCEM MIN-2: Part One

Subject: Indochina

Participants:

France:	*U.K.:*
M. Pinay	Mr. Eden
M. Queuille	Sir Oliver Harvey

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[1] French participants not previously identified are Antoine Pinay, Premier; Henri Queuille, Vice-Premier; René Pleven, Minister of Defense; Maurice Schumann, Secretary of State for Foreign Affairs; Alexandre Parodi, Secretary General of the Ministry of Foreign Affairs; and Felix Gaillard, Secretary of State for Finance.

The only British participant not previously identified is William Hayter, Minister at Paris.

Previously unidentified participants for the United States are Theodore Achilles, Minister at Paris; Ridgway B. Knight, Acting Deputy Director of the Office of Western European Affairs; and Philip D. Sprouse, First Secretary at Paris.

M. Robert Schuman
M. Pleven
M. Letourneau
M. Maurice Schumann
M. Parodi
M. de la Tournelle
M. Gaillard
M. Sauvagnargues

Mr. Hayter
Mr. Roberts
Mr. Shuckburgh

U.S.:
The Secretary
Ambassador Dunn
Ambassador Gifford
Ambassador Jessup
Mr. Perkins
Mr. Achilles
Mr. Knight
Mr. Sprouse
Miss Kirkpatrick

[Here follows a portion of the minute printed in volume XIII, Part 1, page 157.]

The Secretary: . . . .

The next question is what should be the attitude of the three powers if the situation becomes worse and the Chinese Communists take a more active part in the IC conflict. As I said to Mr. Schuman and Mr. Eden at Lisbon, the United States Government would work to clarify in its own mind its position preparatory to discussion with the UK and France. We are now prepared to go forward with discussions, politically, militarily or in any other way, for working out a joint position. Tentatively, it is the U.S. position—and we agree with the French and the British that the important thing is to prevent rather than act afterwards—to issue a joint warning to the Chinese Communists. We can later discuss whether it should be public or private. We think it important to talk about what we should do if the warning is disregarded and that it is dangerous to issue a warning without knowing what we would do if it were disregarded. We would agree that whatever conclusions are reached they should be kept secret in order to leave the enemy in doubt. I suggest in a preliminary way that what we do not be limited to resisting, for example, in Indo-China a Chinese Communist attack. Action should be taken against the Chinese Communists. We cannot necessarily agree on all action in all eventualities but initial action at the outset should be considered. For example, attacks on lines of communications contributing to the attack on Indo-China and naval action. We should first discuss these matters in political talks and then in military talks, perhaps at Paris. While not wishing to anticipate the military talks, the United States would not be able to contribute ground forces for Southeast Asia but would expect to bear a considerable share of the air and naval effort. It is essential that no leaks occur regarding the fact that we are considering such a warning.

Mr. Eden: As I stated at Columbia University, Chinese Communist aggression in Indo-China should be considered as comparable to that in Korea and the United Nations would take measures in that event. We could not be committed now regarding military action to be taken by the United Nations. I hope that no such aggression takes place and the question of issuing the warning needs further discussions. I reserve my position and would wish to discuss this matter with my colleagues.

Mr. Schuman: I thank Mr. Acheson for what he envisages in this connection and agree in the main. This problem is independent of things we have discussed in the past. Like Mr. Eden, I hope that no such aggression will occur but sudden aggression is not impossible. The *Ad Hoc* Military Committee at Washington studied this question but the other Governments' views are not known to us. It is very wise to prevent action but the timing and form of the warning should be discussed as it might provoke an attack. It should not enable the enemy to use such a warning as a pretext to extend the conflict.

Mr. Letourneau: The French Government approved the conclusions of the *Ad Hoc* Committee about one month ago but we do not know the political views of the US and the UK. If the US and the UK could examine these conclusions and tell us, it would be useful to know their political conclusions. Mr. Eden referred to United Nations action, but as the Minister responsible for Indo-China I would like to note the permanent danger we face there—although not immediately probable. We must prepare our defense in the event of aggression. The United Nations procedure is lengthy and in the meantime we would face mortal danger to our troops and civilians. Therefore, the political and military talks should include immediate measures along the lines of the *Ad Hoc* Committee recommendations.

Mr. Eden: As I said at New York, United Nations action is envisaged. I cannot personally commit my Government now. But Mr. Acheson has suggested that all these matters be included in the talks.

Mr. Pinay: With respect to the principles set forth by Mr. Acheson, I am in agreement. Each of us—the United States in Korea, the UK in Malaya and France in Indo-China—has its individual problems and responsibilities but each is part of the overall and we must note the disparity of our means. France has fought in Indo-China for six years and we feel that we are justified in asking for aid.

The proposed warning to the Chinese Communists might start or extend the war. China is a huge country with hundreds of millions of people. As in the last war bombing did not end the conflict but only a massive landing rid us of the Germans. Air action is not enough and there seems no possibility of ending the war. Korea proves this. I should like to ask if the US and the UK have considered whether negotiations might possibly end the war.

Mr. Eden: I agree regarding the desirability of being ready to negotiate, but the example given by Korea is not promising. The US has been very patient and the concessions have all been made on the United Nations side. Mr. Acheson suggested the issuance of a warning for consideration and it is worth considering and examining the possibility.

The Secretary: Sudden large scale intervention is probably not likely, but increased US aid may be followed by increased Chinese Communist aid. It might, therefore, be advisable at some point to say to the Chinese Communists that this must stop.

Mr. Pleven: I wish to ask again regarding the US and UK views regarding the conclusions of the *Ad Hoc* Committee. These are extremely important if sudden aggression should take place. We have the problem of evacuation of civilians. There has been no Vietminh air force to date but an armistice in Korea might free the Chinese Communist air force. Creation of the national armies decreased the chances of Chinese aggression by lessening the propaganda value to them of having white Europeans to attack. It removes a weapon from them in terms of propaganda.

Mr. Eden: I cannot comment on the *Ad Hoc* Committee conclusions except to say that they have been examined.

The Secretary: The *Ad Hoc* Committee actually presented no recommendations but reached different conclusions. No political guidance was given to the military members of this Committee. We might give tentative guidance or suggestions under certain hypotheses to the Committee and then the Ministers could later examine these problems in their ensemble.

Mr. Schuman: The psychological point is very important—aid could be foreseen if aggression occurred—but it is important to know plans are being made.

Mr. Pleven: The constant preoccupation of the military in Tonkin is the possibility of a flood of Chinese across the border. The means of transportation and the evacuation of civilians are important and there are points in the *Ad Hoc* Committee's conclusions regarding the use of ports useful in organization of evacuation.

Mr. Letourneau: I suggest that we reach agreement on those conclusions of the *Ad Hoc* Committee, which did not give rise to differences of opinion, and for further progress political guidance should be given and an exchange of views should take place to that end.

The Secretary: It is best to examine the *Ad Hoc* Committee conclusions again. We can pick out certain points and say proceed with these and on other parts we could prepare tentative guidance for the military and thus clear up the difficulties. We will get up something and submit it to London and Paris to serve as guidance for the military.

Mr. Pleven: We have the responsibility of defending the EDC Treaty before the National Assembly and, if we are not able to show increased French participation, we will have difficulty in obtaining ratification, in obtaining approval for the military budget and for continuation of the effort in Indo-China. It is essential that our friends know that we must have a reply with respect to increased aid for the National Armies as quickly and as generously as possible.

Mr. Pinay: The French Government is unanimously behind Mr. Pleven in this statement. You must realize that the French public is weary and tired of the Indo-China war.

Mr. Schuman: There is considerable apprehension regarding the EDC [2] in France and Germany does not have the Indo-China burden, thus establishing a disequilibrium. Germany will receive US aid without having to apply it to Indo-China. These are questions which will be raised in the National Assembly.

Mr. Pinay: We have exposed our views very frankly and have explained our concern. Mr. Letourneau will be able to proceed further with these questions in Washington. I ask that you take into account the political difficulties that Messrs. Pleven and Schuman will have to face in the National Assembly.

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[2] For documentation on efforts to establish a European Defense Community, see vol. v, Part 1, pp. 571 ff.

Conference files, lot 59 D 95, CF 115

Memorandum of Conversation, by the Secretary of State

CONFIDENTIAL [WASHINGTON,] June 6, 1952.

Participants: Sir Oliver Franks
Mr. Acheson

The Ambassador [1] called at his request.

Among other things, he mentioned a matter which he asked me to consider before coming to any conclusion.

He had received a telegram from Mr. Eden who said that he had discussed with Mr. Menzies the desirability of having a United Kingdom observer at meetings of the Pacific Council. The telegram mentioned three reasons why this was desirable. First, that the United Kingdom was presently engaged in common defense planning with Australia and New Zealand for the area covering those countries, Borneo, part of New Guinea and Fiji. He thought that all of these plans should be coordinated. Secondly, he believed that the Commonwealth relationship would be fortified by such procedure. Thirdly, he thought the British opinion would be much comforted and reassured by it. Mr. Eden had discussed the matter with Mr. Menzies who had expressed himself favorably and said that he would raise the question with us.

I inquired whether Mr. Eden had discussed the question with representatives of New Zealand. Sir Oliver thought this had not been done, but believed that there would be no question about the New Zealand attitude. However, I pointed out that it would not be desirable for two of the countries concerned in the Council to consider this matter without participation by the third. [2]

I then asked whether it was the British idea that the observer should be present at the Council meetings or whether Mr. Eden wished the British observer at any working group or military staff talks. Sir Oliver did not know the answer to this question but said that we should assume that the request would be made across the board.

I said that we would discuss this matter in the Department and with the Pentagon and would be prepared to consider it with Mr. Menzies when he broached it to us.

DA

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[1] British Ambassador to the United States.

[2] In a memorandum of his conversation with Ambassador Munro June 2, Under Secretary Bruce stated that Munro had raised the question of a U.K. observer. "I said that the attendance of the U.K. observer would make difficulties for us in that it would lead other governments to press to have observers at the Council meetings. I added, however, that we saw no reason why it should not be possible to keep the U.K. Government fully and currently informed of the proceedings of the Council. Ambassador Munro said that he personally appreciated this viewpoint and would communicate it to his Government." (790.5/6–252)

S/P-NSC files, lot 61 D 167

Memorandum by the Executive Secretary of the National Security Council (Lay) to the Steering Committee on NSC 124 [1]

TOP SECRET [WASHINGTON,] June 11, 1952.

Subject: United States Objectives and Courses of Action with Respect to Communist Aggression in Southeast Asia

References:

A. NSC 124; NSC Action No. 614 [2]

B. Memos for NSC from Executive Secretary, same subject, dated April 15 and April 30, 1952

C. Memo for Senior NSC Staff from Executive Secretary, subject, "United States Courses of Action in Southeast Asia in the Absence of Identifiable Communist Aggression," dated April 30, 1952

The enclosed draft statement of policy on the subject, prepared by a drafting team of Staff Assistants, is transmitted herewith for consideration by the Steering Committee at an early meeting with a view to preparation of the report called for by NSC Action No. 614 b and c.

JAMES S. LAY, JR.

[Enclosure] [3]

DRAFT

STATEMENT OF POLICY ON UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO COMMUNIST AGGRESSION IN SOUTHEAST ASIA*

OBJECTIVE

1. To prevent the countries of Southeast Asia from passing into the communist orbit, and to assist them to develop the will and ability to resist communism from within and without and to contribute to the strengthening of the free world.

[Here follows paragraphs 2–6 entitled "General Considerations".]

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[1] NSC 124 is dated Feb. 13, p. 45.

[2] See footnote 7, p. 75. None of the memoranda cited here is printed.

[3] The source text is marked "For NSC Staff Consideration Only (Steering Committee on NSC 124)".

*Southeast Asia is used herein to mean the area embracing Burma, Thailand, Indochina, Malaya and Indonesia. [Footnote in the source text.]

COURSES OF ACTION

Southeast Asia

7. With respect to Southeast Asia, the United States should:

a. Strengthen psychological activities in relation to the area to foster increased alignment of the people with the free world.

b. Continue, as appropriate, programs of economic and technical assistance designed to strengthen the indigenous non-communist governments of the area.

c. Encourage the countries of Southeast Asia to restore and expand their commerce with each other and with the rest of the free world, and stimulate the flow of the raw material resources of the area to the free world.

d. Seek agreement with other nations, including at least France, the UK, Australia and New Zealand, for a joint warning to Communist China regarding the grave consequences of Chinese aggression against Southeast Asia, the issuance of such a warning to be contingent upon the prior agreement of France and the UK to participate in the courses of action set forth in paragraphs 10 c, 12, 14 f, and 15 c,[4] and such others as are determined as a result of prior trilateral consultation, in the event such a warning is ignored.

e. Continue to encourage and support closer cooperation among the countries of Southeast Asia, and between those countries and the United States, Great Britain, France, the Philippines, Australia, New Zealand, South Asia and Japan.

f. Strengthen covert operations designed to assist in the achievement of U.S. objectives in Southeast Asia.

g. Continue activities and operations designed to encourage the overseas Chinese communities in Southeast Asia to organize and activate anti-communist groups and activities within their own communities, resist the effect of parallel pro-communist groups and activities and, generally, increase their orientation toward the free world.

h. Take whatever measures may be practicable to promote the coordinated defense of the area, and encourage and support the spirit of resistance among the peoples of Southeast Asia to Chinese Communist aggression and to the encroachments of local communists.

i. Make clear to the American people the importance of Southeast Asia to the security of the United States so that the people may be prepared for any of the courses of action proposed herein.

Indochina

8. With respect to Indochina the United States should:

a. Continue to promote international support for the three Associated States.

b. Continue to assure the French that the U.S. regards the French effort in Indochina as one of great strategic importance in the general international interest rather than in the purely French interest, and as essential to the security of the free world, not only in the Far East but in the Middle East and Europe as well.

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[4] Paragraphs 14f and 15c are not printed; they are identical to paragraphs 14f and 15c in NSC 124/2, June 25, p. 125.

c. Continue to assure the French that we are cognizant of the sacrifices entailed for France in carrying out her effort in Indochina and that, without overlooking the principle that France has the primary responsibility in Indochina, we will recommend to the Congress appropriate military, economic and financial aid to France and the Associated States.

[d.† Continue to cultivate friendly and increasingly cooperative relations with the Governments of France and the Associated States at all levels with a view to maintaining and, if possible, increasing the degree of influence the U.S. can bring to bear on the policies and actions of the French and Indochinese authorities to the end of directing the course of events towards the objectives we seek. Our influence with the French and Associated States should be designed to further those constructive political, economic and social measures which will tend to increase the stability of the Associated States and thus make it possible for the French to reduce the degree of their participation in the military, economic and political affairs of the Associated States.]

[d.‡ Seek agreement with France and the Associated States on a positive political, military, economic and social program designed, in combination with a joint warning to China, to terminate hostilities and establish the independence and security of the Associated States. The following are essential elements of such a program:

(1) An explicit recognition by France of its primary responsibility for the defense of Indochina and its determination to continue such responsibility until the objectives of the program have been attained;

(2) Further French statements regarding the evolutionary development of the Associated States;

(3) Such reorganization of French administration and representation in Indochina as will be conducive to an increased feeling of responsibility on the part of the Associated States;

(4) Further development of the March 8 [5] and Pau accords; [6]

(5) US-French cooperation in publicizing developments in Indochina;

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†State proposal. [Footnote in the source text. All brackets in this document are in the source text.]

‡Defense–MS proposal (subparagraphs d, e and f to replace State proposal for subparagraph d.) [Footnote in the source text.]

[5] Reference is to the agreement between France and Vietnam in an exchange of letters between Vincent Auriol, President of France, and Bao Dai, Emperor of Vietnam, Mar. 8, 1949. For text of this agreement regulating relations between the two states, see Margaret Carlyle, ed., *Documents on International Affairs*, 1949–1950 (London, Oxford University Press, 1953), pp. 596–606.

[6] The conference at Pau, France, attended by representatives of France and the Associated States, ended Nov. 27, 1950. For texts of ten agreements concluded at the conference, each signed by each of the four parties on Dec. 16, 1950, see France, Direction de la Documentation, *Notes et Etudes Documentaires*, No. 1425 (Jan. 24, 1951), pp. 1–38.

(6) A maximum effort to develop the armies of the Associated States, including independent logistical and administrative services;

(7) An aggressive military, political, and psychological program to defeat or seriously reduce the Viet Minh forces;

(8) The more effective development of the Indochinese Government;

(9) The early formation of a national assembly and a gradual increase of its powers;

(10) The promotion of land reform, agrarian and industrial credit, sound rice marketing systems, labor development, foreign trade and capital formation.]

[e.§ For its part in this program, the United States should agree to undertake, with French and Indochinese cooperation:

(1) An increased share of the financial burden of the war.

(2) An increased and accelerated program of U.S. military assistance, especially to the armies of the Associated States.

(3) A more active role in the training of the Associated States armies.

[f.|| In order to assure that progress is made toward the achievement of the program's objectives, the United States should continuously make known to France and the Associated States the importance which it attaches to the prompt and vigorous undertaking of the measures outlined in subparagraph d above.] [7]

9. In the absence of large scale Chinese Communist intervention in Indochina, the United States should:

a. Continue to furnish aid for the French Union forces without relieving French authorities of their basic military responsibility for the defense of the Associated States.

b. Provide military equipment and supplies on a high priority basis in order to:

(1) Assist the French Union forces to maintain progress in the restoration of internal security against the Viet Minh.

(2) Assist the forces of France and the Associated States to defend Indochina against Chinese Communist aggression.

(3) Assist in developing indigenous armed forces which will eventually be capable of maintaining internal security without assistance from French units.

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§ Defense–MS proposal (subparagraphs d, e and f to replace State proposal for subparagraph d.) [Footnote in the source text.]

|| Defense–MS proposal (subparagraphs d, e and f to replace State proposal for subparagraph d.) [Footnote in the source text.]

[7] In a memorandum to Allison, June 13, Bohlen stated with regard to paragraph 8: "The Defense version of paragraph 8d, e, and f, which the Office of Mutual Security agreed, apparently represents Mr. Foster's own views and the Defense representative, Mr. Hoopes, stated that he had been instructed not to discuss any changes in their draft." (S/P–NSC files, lot 61 D 167) Townsend W. Hoopes was Assistant to the Defense Representative, Senior Staff, National Security Council.

c. In view of the immediate urgency of the situation, involving possible large-scale Chinese Communist intervention, and in order that the United States may be prepared to take whatever action may be appropriate in such circumstances, make the plans necessary to carry out the courses of action indicated in paragraph 10 below.

d. In the event that information and circumstances point to the conclusion that France is no longer prepared to carry the burden in Indochina, or if France presses for a sharing of the responsibility for Indochina, whether in the UN or directly with the U.S. Government, oppose a French withdrawal and consult with the French and British concerning further measures to be taken to safeguard the area from communist domination.

10. In the event that it is determined, in consultation with France, that Chinese Communist forces (including volunteers) have overtly intervened in the conflict in Indochina, or are covertly participating to such an extent as to jeopardize retention of the Tonkin Delta area by French Union forces, the United States should take the following measures to assist these forces in preventing the loss of Indochina, to repel the aggression and to restore international peace and security in Indochina:

a. Support a request by France or the Associated States for immediate action by the United Nations which would include a UN resolution declaring that Communist China has committed an aggression, recommending that member states take whatever action may be necessary, without geographic limitation, to assist France and the Associated States in meeting the aggression.

b. Whether or not UN action is immediately forthcoming, seek the maximum possible international support for, and participation in, the minimum courses of military action agreed upon by the parties to the joint warning. These minimum courses of action are set forth in subparagraph c immediately below.

c. Carry out the following minimum courses of military action, either under the auspices of the UN or in conjunction with France and the United Kingdom and any other friendly governments:

(1) A resolute defense of Indochina itself to which the United States would provide such air and naval assistance as might be practicable, but no ground forces.

(2) Interdiction of Chinese Communist communication lines.

[(3) A naval blockade of Communist China.] ¶

(4) The United States would expect to provide the major forces for tasks (2) and (3) above, but would expect the UK and France to provide at least token forces therefor and to render such other assistance as is normal between allies.

¶ JCS proposal. [Footnote in the source text.]

11. In addition to the courses of action set forth in paragraph 10 above, the United States should take the following military actions as appropriate to the situation:

(1) Intensification of covert operations to aid anti-communist guerrilla forces operating against Communist China and to interfere with and disrupt Chinese Communist lines of communication and military supply areas.
(2) Employment, as desirable and feasible, of anti-communist Chinese forces, including Chinese Nationalist forces in military operations in Southeast Asia, Korea, or China proper.
(3) Assistance to the British to cover an evacuation from Hong Kong, if required.
(4) Evacuation of French Union civil and military personnel from the Tonkin Delta, if required.

12. If, subsequent to aggression against Indochina and execution of the minimum necessary courses of action listed in paragraph 10 c above, the United States determines jointly with the UK and France that expanded military action against Communist China is rendered necessary by the situation, the United States should take air and naval action in conjunction with at least France and the U.K. against all suitable military targets in China, avoiding insofar as practicable those targets proximate to the boundaries of the USSR.

13. In the event the concurrence of the United Kingdom and France to expanded military action against Communist China is not obtained, the United States should consider taking unilateral action.[8]

[Here follow sections devoted to Burma, Thailand, Malaya, and Indonesia.]

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[8] In his memorandum cited in footnote 7 above, Bohlen explained the purpose of paragraph 13 as follows: "Would provide us with freedom of action against Communist China in the dire circumstances which would follow upon a successful Communist Chinese intervention down to Malaya."

751G.00/6-1752

Memorandum of Conversation, by Lucius D. Battle, Special Assistant to the Secretary of State

SECRET [WASHINGTON,] June 17, 1952.

Following his telephone conversation with Sir Oliver Franks today, which is reported separately,[1] the Secretary saw General

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[1] An unsigned memorandum of June 17 reads in part as follows:

Continued

Bradley and Mr. Perkins. Later Sir Oliver dropped in at the office following a meeting in Mr. Jessup's office. He asked if he could see the Secretary for a few minutes to get the further report on the matter of talks on Southeast Asia. He repeated what he told us earlier that he had had a second message from London following the report which the Embassy had sent of Mr. Perkins' conversation with Mr. Steel.

The Secretary said that he had talked about this matter with General Bradley this afternoon and that Friday was the only day which General Bradley could possibly meet and that was very inconvenient for Mr. Acheson. He said, therefore, he thought that any talks were impossible to arrange. He then said that he would be glad to talk to Sir Oliver right at that moment and see where we stood.

The Secretary reviewed the situation and the talks which took place in Paris. He said that in the earlier meetings which had taken place on Southeast Asia, everyone had started from a different point and there had been little in the way of conclusion reached. He said that he felt what was needed now was political decisions.

The Secretary then analyzed the situation as we saw it. He said that if the Chinese came into Indochina in force, we would have to do something. We could not remain passive. He said that none of the things we could do were very pleasant ones and we felt that a warning was highly desirable. He said that we felt we should not give a warning, however, if there had been no agreement on what we did in the event the Communists moved in anyway. He said this would make us look very silly and would weaken the effect of any other warnings.

He said it was clear that it was futile and a mistake to defend Indochina in Indochina. He said we could not have another Korea. He said it was also true we could not put ground forces in Indochina. We do not have them and we could not afford to immobilize such forces as we had. He said we could take air and naval action,

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"Sir Oliver Franks telephoned the Secretary this afternoon to say that he had received a message from Eden, who had suggested that in an effort to reach bilateral agreement prior to tripartite talks in London, it might be a good idea if conversations of a politico-military nature dealing with Southeast Asia might take place here. The Ambassador said that Mr. Steel had conferred with Mr. Perkins the other day, and Mr. Perkins had said he did not believe, because of certain preoccupations with a number of problems, there would be time to arrange such talks. However, the Ambassador said that since he had had orders from his Government to present the matter to Mr. Acheson personally, he felt compelled to do this so he could report back to his Government." (Secretary's Memoranda of Conversation, lot 65 D 238)

Sir Christopher Steel was a Minister at the British Embassy.

however, and had discussed whether this should be confined to approaches.

He concluded that our only hope was of changing the Chinese mind. He said that we could strike where it hurts China or we could set up a blockade against trade. He said we had concluded that our mission would not be to destroy the Communist regime. He also said that we fully realized the danger of bringing the USSR into the show.

The Secretary concluded that there was no point in getting our military people into any talks. He said we must get political decisions first. He said that if firm decisions could not be reached that we perhaps could reach tentative decisions. He said that it had been clear at Paris that he was somewhat "ahead of the play" while the French and the British had urged us to discuss these matters and had wanted discussions before decisions were made. When the question actually came up, they were not ready to talk.

The Secretary remarked that Mr. Letourneau had said in Paris that the military talks had reached some decision as to how to evacuate the wounded, etc., in the event of difficulties. He said that our Navy had talked to Mr. Letourneau regarding port sizes, capacity of ships, etc., with regard to evacuation.

Sir Oliver said he thought he understood the point, would report back to London and would let us know if there were anything further on it.

Mr. Acheson said that if his analysis were wrong and the British Chiefs of Staff had any different one, he would be glad to hear of it.

790.5/6–1952

The British Ambassador (Franks) to the Secretary of State

TOP SECRET WASHINGTON, June 19, 1952.

DEAR DEAN: I have reported to London what you had said to me yesterday about talks on South East Asia.

2. The principal questions which London wanted us to discuss with you were the scope of retaliatory action which sould be taken in the event of further Chinese aggression and the possible result of such retaliatory action outside China.

3. Apart from this I think I should mention to you one point in the brief which was sent to me for use in the talk which we had hoped to have before you left, in order that you may have time to consider it before the meetings in London.

4. We are sceptical of the value of a further warning statement at this stage in addition to those which have already been made.

We believe that a far better deterrent would be to give tangible evidence that we and you and the French—and others willing to participate—have a coordinated policy in the Far East and South East Asia, and are prepared to put into effect the warnings already given of retaliatory action in the event of further Chinese aggression. Our efforts should be directed towards proving to the Chinese that any attacks on the interests of any Allied powers would be resisted by them all. We feel that the first step in this direction might be the setting up of joint Allied machinery to plan a co-ordinated defence of South East Asia.[1]

Yours sincerely,

OLIVER FRANKS

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[1] In an attached note of June 24, Gibson stated that this letter had been included in the Secretary's briefing book for the London talks.

S/P-NSC files, lot 61 D 167

Memorandum by the Department of State Member on the NSC Staff (Schwartz) to the Counselor (Bohlen)

TOP SECRET [WASHINGTON,] June 20, 1952.

Subject: Southeast Asia

The Senior Staff yesterday discussed or rather debated the June 11 draft on Southeast Asia. [1] John Allison and I are of the opinion that by and large we came back with rather than on Southeast Asia as directed by you.

Both State and Defense argued for a Council meeting on the resultant paper for next Wednesday the 25th, primarily on the grounds that the Secretary of State would be in a rather anomalous position the following day during the tripartite talks [2] if this were not done. Admiral Wooldridge [3] finally agreed but was most unhappy about what this would mean for the Joint Staff and the Services. Frank Nash is going over to Paris next Thursday and Messrs. Jessup and Nitze are going to accompany the Secretary and cables can be sent to them right after the Council meeting regarding the outcome.

We had quite a battle over the subparagraphs 8d, e and f but though some of the language in the compromise is messy, we felt that it would not do any harm; and it was perfectly apparent that Frank Nash felt that he had to insist on some of the words like "aggressive" in order to get the final paper through the Joint Secretaries and Mr. Foster without too much of an uproar.[4] At any rate there is no longer an implication of a *quid pro quo* and it was clearly understood that State is not to be tied down on its political tactics.

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[1] Reference is to the draft of NSC 124, p. 107.

[2] Acheson left Washington June 22 and arrived in London June 23 for talks with the Foreign Ministers of France and the United Kingdom. After leaving London June 28, he proceeded to Berlin, Vienna, and Rio de Janerio, arriving back in Washington July 9. Regarding his trip, see the editorial note, vol. v, Part 2, p. 1544.

[3] Rear Adm. Edmund T. Wooldridge, USN, Representative of the Joint Chiefs of Staff on the Senior Staff, NSC.

We had complete success with the naval blockade by taking it out of 10c and putting it in 7e and 11 so that it is no longer a precondition to a joint warning. Admiral Wooldridge fought fiercely enough on this point to indicate that the Joint Chiefs' comments may bring it up again but it is going to the Council without brackets. Our tactical position was that we had no quarrel with a naval blockade with Communist China as a course of action and that the Secretary would strive mightily to gain the agreement of France and the UK for the course prior to the issue of a warning and certainly prior to the events which might make it necessary but that he should not as a negotiator be inflexibly tied down by formal NSC action in such a way that if agreement were per chance not obtained there could be no warning at all.

To our surprise, considering the history of the phrase, Admiral Wooldridge asked that we remove the words "but no ground forces" from 10c(1) and express the same thought in 10c(4) in a positive fashion. [5] He said that the Joint Chiefs might reverse him on this but he felt it was entirely too negative a manner in which to state the military position. Needless to say, no one argued with him.

H[ARRY] H. S[CHWARTZ]

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[4] The paper which resulted from the meeting discussed here is NSC 124/1, June 19, not printed. Paragraph 8 in NSC 124/1 is identical to paragraph 8 in NSC 124/2, June 25, p. 129.

[5] In NSC 124/1, the numbered subsections of paragraph 10c read as follows:

"(1) A resolute defense of Indochina itself to which the United States would provide such air and naval assistance as might be practicable.

"(2) Interdiction of Chinese Communist communication lines.

"(3) The United States would expect to provide the major forces for task (2) above; but would expect the UK and France to provide at least token forces therefor and to render such other assistance as is normal between allies, and to carry the burden of providing, in conjunction with the Associated States, the ground forces for the defense of Indochina."

The remainder of paragraph 10 in NSC 124/1 is in substance identical to paragraph 10 in the NSC 124 draft of June 11, p. 111.

Secretary's Memoranda, lot 53 D 444 [1]

Memorandum of Conversation, by the Secretary of State [2]

SECRET [WASHINGTON,] June 20, 1952.

Subject: Pacific Security Council

Participants: Prime Minister Menzies
Ambassador Spender
Mr. Alan Watt, Secretary, Department of External Affairs
The Secretary
Mr. George Perkins, Assistant Secretary of State, EUR
Mr. John Allison, Assistant Secretary of State, FE
Mr. Hayden Raynor, Director, BNA

Prime Minister Menzies called this afternoon accompanied by Ambassador Spender and Mr. Alan Watt, Secretary of External Affairs. The entire discussion related to the problem incident to the development of the Australian-New Zealand-United States Security Pact.

[Here follows discussion of arrangements for the ANZUS (then Pacific) Council meeting.]

U.K. Observer Relationship

I told the Prime Minister that I had heard from Ambassador Munro of New Zealand and from Mr. Eden through Ambassador Franks on this question, both of them advocating some form of observer status for the U.K.[3] I asked him if he could tell me what his position was on this and something of his conversations in London on it. The Prime Minister replied that Mr. Eden had raised this with him in London and that he had said that while it was a step which Australia would welcome he thought it might create some difficulties, especially for the U.S. as it might result in requests for similar status from other countries in the area such as the Philippines, Indonesia and etc. Mr. Watt added that he had pointed out these difficulties in several conversations down the line in the Foreign Office but had found an absence of appreciation of them in those quarters. I agreed that the proposal created difficulties and expressed the view that it might be better to take no action on the question at the moment in view of these difficulties. The Prime Minister agreed stating that he was apprehensive that if we tried to iron this out now it might mean a delay in the first meeting. I observed that if we all decided this were wise, it was something which might be approached gradually. I said at some point a subject might be on the agenda on which we all felt it would be helpful to have U.K. participation in the discussion. I said at such a time the U.K. might be invited to participate in such a discussion on an *ad hoc* basis which might set a precedent for some form of relationship. In the meantime, I said there was nothing to prevent and that on the contrary all of us no doubt would desire to keep the U.K. fully informed on all developments. The Prime Minister commented that he felt this was in part a prestige move on the part of the U.K. and in part a political move by Mr. Eden as he had taken the position the U.K. should have been included in the treaty arrangements when he was in opposition. He added, however, that he was sincerely convinced that Mr. Eden believed the U.K. should have some such relationship with the organization. There was full agreement to take no action on this now and to place the item on the agenda of the first meeting for further discussion. I said I would talk to Mr. Eden in this sense when I saw him next week in London.

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[1] Chronological collections of the Secretary's memoranda, memoranda of conversation, and memoranda of conversation with the President for the years 1947–1953, as maintained and retired by the Executive Secretariat of the Department of State.

[2] Drafted by Raynor. Prime Minister Menzies was in Washington June 18–22.

[3] In a briefing memorandum to the Secretary, June 17, Perkins had written:

"The chief reason why EUR and FE are opposed to the suggestion is that its adoption would open us to pressure from the Filipinos, the French, and others, who would also feel entitled to send observers. It would be difficult to admit a U.K. representative and exclude the others, particularly the Filipino.

"As a matter of fact, we have reason to believe that the Australians themselves are opposed to the attendance of a U.K. observer. We do not know how Mr. Menzies will put this to you but it is our guess that he will not be surprised or particularly unhappy if you tell him that you think we should hold off, at least at present." (Conference files, lot 59 D 95, CF 115)

Pact Machinery

The Prime Minister asked for our views on the question of what machinery we felt it would be appropriate to establish in order to implement effectively the treaty. I said this was a matter we were now studying and discussing with the Defense Department and we hoped to have our views developed shortly. Messrs. Perkins and Raynor explained that we hoped to establish in the next week or so a working group on the agenda consisting of representatives of the two Embassies and of the Department and that this group could develop proposals on the question of machinery. The Prime Minister concurred and agreed that this subject should be on the agenda of the first meeting and that proposals should be developed which could be put to the Ministers at the first meeting for their consideration.

Relationship with NATO

The Prime Minister assisted by Ambassador Spender developed again the Australian concept that they should have a right to be heard in NATO when matters directly affecting their interests were under consideration. I again questioned, as I had at our previous meeting, the fundamental concept on which this thinking was based, i.e., that NATO did not get into global questions and etc. Although the Australians in no sense withdrew their request, there was some indication in the conversation that if the new treaty arrangement is developed so that it can discuss world-wide questions in addition to questions involving only the Pacific that this might satisfy the Australian position. The matter was left that this question would also be included on the agenda of the first meeting of the Council.

S/S-NSC files, lot 63 D 351

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Acting Secretary of State

TOP SECRET [WASHINGTON,] June 25, 1952.

Background

The NSC 124 has been in negotiation at all levels for many months. It has actually come before the Council itself once before, on March 5, 1952. At that time the Council in NSC Action No. 614 [1] considered NSC 124 and: (a) ordered the Secretary of State and the Joint Chiefs of Staff to prepare studies on the diplomatic and military courses of action to be followed on the assumption that an identifiable aggression in Southeast Asia had occurred; (b) directed the NSC Staff to prepare a new paper recommending courses of action based on the assumption that an identifiable aggression did *not* occur and that we would be faced with continued deterioration in Indochina and; (c) referred NSC 124 back to the NSC Staff for redrafting in the light of the above studies.

The studies called for by the Council's directive were prepared by the Department and the JCS but before they could be considered by the Council itself they were overtaken by the following principal sequence of events:

(a) The Secretary of Defense forwarded to the Secretary of State under covering letter of May 1, 1952, a memorandum from the Joint Secretaries to the Secretary of Defense dealing with Indochina primarily and Southeast Asia generally.[2]

(b) A background paper on Indochina (the Stelle paper) was prepared in the Department in S/P, on the Secretary's instructions and in response to the Joint Secretaries' memorandum. Its final draft is dated May 21, 1952.[3]

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[1] See footnote 7, p. 75.

[2] For text of the letter with enclosures, see vol. XIII, Part 1, p. 113.

(c) On May 19, 1952, a White House Conference was held with the President, the Secretary, Secretary Lovett and General Bradley during which the subjects of Indochina and Southeast Asia generally were reviewed and a series of conclusions regarding our future courses of action were arrived at. These included a decision that NSC 124 should be acted upon as soon as possible, that changes to the then existing draft should be made in keeping with the White House Conference decisions rather than, necessarily, the suggestions made by the Department and JCS in response to Council Action 614.

In accordance with the Directive from the White House the Senior Staff Assistants were instructed to prepare a new draft. A new draft was accordingly prepared which provided for courses of action in Southeast Asia whether an identifiable aggression is committed or not. The new draft was agreed to by the Staff Assistants with the exception of portions of paragraphs 8 and 10. Accordingly the paper was referred to the Senior Staff with alternate drafts for those two paragraphs.[4] One was prepared in the Department by FE and the other in the Department of Defense by Messrs. Hoopes and Noyes. The two drafts were reconciled at a full meeting of the Senior Staff itself on June 19th resulting in the "Buff" draft of that date.[5] (The intermediate phase of clearing through the Steering Group of the Senior Staff had been bypassed to gain time in an effort to make it possible for the Secretary to have an approved document by the time he left for London on June 22.)

Department's Position on Draft of June 19th as Submitted to the Senior Staff Meeting on June 24th.

When the June 19th draft, as approved by the Senior Staff, was presented to the Secretary he raised objections to portions of it and instructed G, FE, S/P and C to suggest drafting changes to the Senior Staff prior to the Council Meeting of June 25. A Senior Staff meeting was accordingly held on June 24th when the Department's proposals were presented. They were three in number:

1. *Paragraph 10c(3).* In the previous draft of NSC 124, dated June 11, 1952, paragraph 10c(1) had a provision in the last sentence to the effect that although the US would "provide air and naval assistance as practicable, *no ground forces* would be provided". At the Senior Staff Meeting of June 19th the JCS representative, Admiral Wooldridge, submitted a suggested change calling for striking out the restriction on the use of US ground forces in 10c(1) and adding on to paragraph 10c(3) the final clause "and to carry the burden of

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[3] For text, see vol. XIII, Part 1, p. 150.

[4] Reference is to the draft, June 11, p. 107.

[5] Reference is to NSC 124/1, not printed.

providing, in conjunction with the Associated States, the ground forces for the defense of Indochina". The change was approved by the Senior Staff but without realizing at the time that the new drafting would have committed the UK as well as France to, "carry the burden of providing, in conjunction with the Associated States, the ground forces for the defense of Indochina". In actual fact it was never anyone's intention that this burden should be carried by anyone but France, in conjunction with the Associated States. It is therefore suggested that in the fifth line of paragraph 10c(3) the word "France" be injected between the words "and" and "to" so that the last clause of the sentence will read "and France to carry the burden of providing, in conjunction with the Associated States, the ground forces for the defense of Indochina". This change was accepted by the Senior Staff.

2. *Naval Blockade.* One of the most controversial provisions of the paper in its various recent drafts has been the handling of the question of a naval blockade of Communist China following an aggression in Southeast Asia. The Department of Defense and Joint Chiefs of Staff had been inclined to demand that the institution of a naval blockade be a precondition to US agreement to the joint warning to Communist China proposed in paragraph 7d. The Secretary had suggested that the provision for the naval blockade be tagged on to the end of paragraph 13 of the June 19th draft as a final clause reading: "including the establishment of a naval blockade of Communist China".[6] This was argued back and forth in the June 24th Senior Staff meeting and the following compromise was agreed to and accepted by the Senior Staff:

Paragraph 11(1) to be deleted in its present form and replaced by the following: "If agreement is reached pursuant to paragraph 7e, establishment, in conjunction with France and Britain, of a naval blockade of Communist China".

3. *Provocation of USSR by Means of Retaliatory Action Against China.* The Secretary was disturbed by the provisions of paragraph 12 on the ground that the last clause stating that the US should avoid "insofar as practicable those targets proximate to the boundary of USSR" was not restrictive enough.[7] Our policy in the matter of retaliatory action against China in the event of an aggression of Southeast Asia is that although we advocate taking strong and immediate action to oppose an aggression against Southeast Asia from Communist China, including military action against communication lines, supply dumps, marshalling areas, etc., in China itself, our purpose is to combat the aggression where it occurs and whence it is being supplied. It is not to unseat the Peiping regime or take any other steps which would in our opinion cause the Chi-

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[6] In an earlier version of this memorandum, dated the previous day, Allison had explained the Secretary's suggestion as follows: "The Secretary believed that the naval blockade provision was out of place in paragraph 11 and was much better placed in paragraph 13 where it could be included as one of the steps the US could consider taking unilaterally in the event the concurrence of the UK and France to expand military action against Communist China following the actions listed in paragraphs 10, 11 and 12 were not obtained." (751G.00/6-2452)

[7] Paragraph 12 of NSC 124/1 is identical to paragraph 12 of the June 11 draft.

nese to invoke the Sino-Soviet pact or otherwise bring about the USSR's direct involvement in the war.

The Secretary had suggested that the following be added to paragraph 12 of the June 19th draft, "or other military actions which would materially increase the risk of direct Soviet involvement". This was presented to the Senior Staff meeting of June 24. The Joint Chief's representative pointed out that this change was a caveat of such general nature as to vitiate the main policy decision 124/1. The following compromise was therefore agreed to: The last clause of paragraph 12 of the June 19th draft to be added to, to read as follows: "avoid insofar as practicable those targets proximate to the boundary of the USSR in order not to increase the risk of direct Soviet involvement".

Other relatively minor changes to the June 19th draft were also agreed to at the Senior Staff meeting of June 24. They are listed in the attached NSC memorandum of June 25, 1952.[8] They are all self-explanatory with the possible exception of that of paragraph 3, listed as number 2 on the attached NSC memorandum. The second sentence of paragraph 3 of the June 19th draft was deleted and the suggested new wording added at the instigation of the JCS. The new wording is taken verbatim from the Staff Study section of NSC 124. Its purpose is self-evident.

All the suggested changes listed on the attached memorandum from the NSC of June 25th have, therefore, now been accepted by the Senior Staff. In addition the concurrence of the JCS has now been received and is attached.[9] The Secretary was informed of the major changes to paragraphs 11 and 12 in the Department's Tosec telegram No. 15, Niact, June 24, to AmEmbassy London.[10] In that message the Secretary was told that in the matter of the suggested change to paragraph 12, although the Department's suggested wording was not accepted we find the final wording "in order not to increase the risk of direct Soviet involvement" acceptable and believe that there is no question but that the Defense and JCS are in full agreement with us against any unnecessary risk of Soviet involvement.

Unless comment is received from the Secretary today there now remains nothing but to obtain the final approval of the Council itself and the President to NSC 124 as it now stands. It is, therefore, recommended that you give the Department's concurrence to NSC approval of the paper and its submission to the President today. We are informed that following any favorable action by the

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[8] Memorandum from Lay to the NSC, not printed. (S/P-NSC files, lot 61 D 167)

[9] Memorandum to the Secretary of Defense, June 24, signed by General Bradley for the JCS, is an enclosure to the memorandum of the same date from Lay to the NSC, neither printed. (S/P-NSC files, lot 61 D 167)

[10] Not printed. (S/P-NSC files, lot 61 D 167)

Council the President is prepared to consider the paper immediately in order to make it possible for the Secretary to have an approved NSC-Presidential position for the remainder of his conversations with the French and the British in London.

Truman Library, Truman papers, PSF-Subject file

Memorandum for the President of Discussion at the 120th Meeting of the National Security Council Held on Wednesday, June 25, 1952 [1]

TOP SECRET

The following notes contain a summary of the discussion at the 120th Meeting of the National Security Council, at which you presided. The Vice President did not attend the meeting. Under Secretary Bruce attended for the Secretary of State, Deputy Secretary Foster attended for the Secretary of Defense, and Mr. Kenney attended for the Director for Mutual Security. [2]

1. The Situation in the Far East

The National Security Council:

Noted an oral briefing by Commander M. D. Clausner, USN, Joint Chiefs of Staff, on the military situation in Korea.

2. United States Objectives and Courses of Action With Respect to Southeast Asia (NSC 124/1; NSC 124 and Annex to NSC 124; NSC Actions Nos. 597 and 614; Memos for NSC from Executive Secretary, same subject, dated June 24 [3] and June 25, 1952; [4] Memos for NSC from Executive Secretary, subject: "United States Objectives and Courses of Action with Respect to Communist Aggression in Southeast Asia", dated March 4, April 15, April 30 and May 21, 1952; [5] NSC 48/5; NSC 64; SE-22 [6] and SE-27 [7])

The President referred to NSC 124/1, and Mr. Lay called the attention of the Council to the views of the Joint Chiefs of Staff on the report, as well as to the supporting papers which constituted a staff study in connection with NSC 124/1.

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[1] Prepared on June 26, apparently in the NSC Secretariat.

[2] Gorrie was also present. In addition to members of the Council, the meeting was attended by seven persons, among them General Bradley, Walter Bedell Smith, and Edward H. Foley, Acting Secretary of the Treasury.

[3] See footnote 9, *supra.*

[4] See footnote 8, *supra.*

[5] None printed.

[6] See the editorial note, p. 53.

[7] For text of SE-27, "Probable Effects of Various Courses of Action With Respect to Communist China", see volume XIV.

The President then requested the views of Secretary Bruce, who replied that on the whole the State Department was very well pleased with the report and had only certain clarifications in the language to suggest by way of amendment. Secretary Bruce proceeded to read his proposed changes, all of which were agreed to by the Council.

The President then turned to Secretary Foster and asked for any views which he might have on the report.

Secretary Foster stated that the Defense Department likewise approved the report, and said that he merely desired to read and have the Council note the views of the Joint Secretaries with respect to the importance of emphasizing to the French on all possible occasions the desirability of reducing the degree of their participation in the military, economic and political affairs of the Associated States. Beyond that, Secretary Foster wanted only to draw the attention of the Council to the fact that if the policies in NSC 124/1 were to be carried to a successful conclusion, it would very probably be necessary to divert U.S. forces from other areas in which they were committed or to increase the strength of U.S. forces in being.

There being no other comments or objections, the President declared that the statement of policy in NSC 124/1 had been agreed and adopted.

The National Security Council: [8]

a. Adopted NSC 124/1 subject to the following changes:

(1) *Paragraph 2–a, line 12:* Insert "in all probability" between the words "would" and "progressively".

(2) *Paragraph 3:* Delete the second sentence and substitute the following: "In order to pursue the military courses of action envisaged in this paper to a favorable conclusion within a reasonable period, it will be necessary to divert military strength from other areas thus reducing our military capability in those areas, with the recognized increased risks involved therein, or to increase our military forces in being, or both."

(3) *Paragraph 5, line 1:* Delete "important" and substitute "critical".

(4) *Paragraph 10–c–(2), line 2:* At the end of the sentence after the word "lines", add "including those in China."

(5) *Paragraph 10–c–(3), line 5:* Insert "France" between the words "and" and "to".

(6) *Paragraph 11–(1):* Delete, and substitute the following: "If agreement is reached pursuant to paragraph 7–e, establishment in conjunction with the U.K. and France of a naval blockade of Communist China."

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[8] The following paragraphs and accompanying note constitute NSC Action No. 655. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

(7) *Paragraph 11-(3), line 1:* Delete "Employment" and substitute "Utilization".

(8) *Paragraph 12:* Delete the final phrase of the paragraph and substitute the following: "avoiding in so far as practicable those targets in areas near the boundaries of the USSR in order not to increase the risk of direct Soviet involvement."

b. Noted the following statement by the Acting Secretary of Defense with respect to the views of the Joint Secretaries regarding NSC 124/1:

> "In our opinion, if this policy is to be truly effective, it must be clearly recognized that the U.S. policy 'to make it possible for the French to reduce the degree of their participation in the military, economic and political affairs of the Associated States' (par. 8-d) must be emphasized and reemphasized to the French at each and every political, economic or military negotiation which the U.S. Government enters into with the Government of France, especially those negotiations which deal with the providing of U.S. economic or military aid to France or to Indochina."

Note: NSC 124/1 as amended and adopted subsequently submitted to the President for consideration.

3. NSC Status of Projects

The National Security Council:

Noted the status of NSC projects as of June 23, 1952.

S/S-NSC files, lot 63 D 351, NSC 124 Series

Report to the National Security Council by the Executive Secretary (Lay)

TOP SECRET
NSC 124/2

WASHINGTON, June 25, 1952.

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO SOUTHEAST ASIA

References:

A. NSC 124/1

B. NSC 124 and Annex to NSC 124

C. NSC Action Nos. 597, 614 and 655

D. Memos for NSC from Executive Secretary, same subject, dated June 24 and June 25, 1952

E. Memos for NSC from Executive Secretary, subject, "United States Objectives and Courses of Action with Respect to Communist Aggression in Southeast Asia", dated March 4, April 15, April 30 and May 21, 1952

F. NSC 48/5
G. NSC 64
H. SE-22 and SE-27

At the 120th Council meeting with the President presiding, the National Security Council and the Acting Secretary of the Treasury adopted NSC 124/1, subject to changes in paragraphs 2-a, 3, 5, 10-c-(2), 10-c-(3), 11-(1), 11-(3), and 12 thereof, as incorporated in the enclosure (NSC Action No. 655).[1]

In adopting NSC 124/1, as amended, the Council and the Acting Secretary of the Treasury noted the following statement by the Acting Secretary of Defense with respect to the views of the Joint Secretaries regarding NSC 124/1:

> "In our opinion, if this policy is to be truly effective, it must be clearly recognized that the U.S. policy 'to make it possible for the French to reduce the degree of their participation in the military, economic and political affairs of the Associated States' (par. 8-d) must be emphasized and reemphasized to the French at each and every political, economic or military negotiation which the U.S. Government enters into with the Government of France, especially those negotiations which deal with the providing of U.S. economic or military aid to France or to Indochina."

The report, as amended and adopted, was subsequently submitted to the President for consideration. The President has this date approved NSC 124/1, as amended and enclosed herewith, and directs its implementation by all appropriate executive departments and agencies of the U.S. Government under the coordination of the Secretaries of State and Defense.

Accordingly, NSC 64 and paragraph 14 of NSC 48/5 are superseded by the enclosed report. The enclosure does not supersede, but supplements the statement of the current objective with respect to Southeast Asia contained in paragraph 6-g of NSC 48/5.

It is requested that special security precautions be observed in the handling of the enclosure, and that access to it be restricted on a need-to-know basis.

JAMES S. LAY, JR.

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[1] In telegram Tosec 22 to London, June 25, the Department of State informed the Secretary of the adoption of NSC 124/2 and quoted the final wording of the disputed section of paragraph 12. (Conference files, lot 59 D 95, CF 111)

[Enclosure]

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO SOUTHEAST ASIA*

OBJECTIVE

1. To prevent the countries of Southeast Asia from passing into the communist orbit, and to assist them to develop the will and ability to resist communism from within and without and to contribute to the strengthening of the free world.

GENERAL CONSIDERATIONS

2. Communist domination, by whatever means, of all Southeast Asia would seriously endanger in the short term, and critically endanger in the longer term, United States security interests.

a. The loss of any of the countries of Southeast Asia to communist control as a consequence of overt or covert Chinese Communist aggression would have critical psychological, political and economic consequences. In the absence of effective and timely counteraction, the loss of any single country would probably lead to relatively swift submission to or an alignment with communism by the remaining countries of this group. Furthermore, an alignment with communism of the rest of Southeast Asia and India, and in the longer term, of the Middle East (with the probable exceptions of at least Pakistan and Turkey) would in all probability progressively follow. Such widespread alignment would endanger the stability and security of Europe.

b. Communist control of all of Southeast Asia would render the U.S. position in the Pacific offshore island chain precarious and would seriously jeopardize fundamental U.S. security interests in the Far East.

c. Southeast Asia, especially Malaya and Indonesia, is the principal world source of natural rubber and tin, and a producer of petroleum and other strategically important commodities. The rice exports of Burma and Thailand are critically important to Malaya, Ceylon, and Hong Kong and are of considerable significance to Japan and India, all important areas of free Asia.

d. The loss of Southeast Asia, especially of Malaya and Indonesia, could result in such economic and political pressures in Japan as to make it extremely difficult to prevent Japan's eventual accommodation to communism.

3. It is therefore imperative that an overt attack on Southeast Asia by the Chinese Communists be vigorously opposed. In order to pursue the military courses of action envisaged in this paper to a favorable conclusion within a reasonable period, it will be neces-

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*Southeast Asia is used herein to mean the area embracing Burma, Thailand, Indochina, Malaya and Indonesia. [Footnote in the source text.]

sary to divert military strength from other areas thus reducing our military capability in those areas, with the recognized increased risks involved therein, or to increase our military forces in being, or both.

4. The danger of an overt military attack against Southeast Asia is inherent in the existence of a hostile and aggressive Communist China, but such an attack is less probable than continued communist efforts to achieve domination through subversion. The primary threat to Southeast Asia accordingly arises from the possibility that the situation in Indochina may deteriorate as a result of the weakening of the resolve of, or as a result of the inability of the governments of France and of the Associated States to continue to oppose the Viet Minh rebellion, the military strength of which is being steadily increased by virtue of aid furnished by the Chinese Communist regime and its allies.

5. The successful defense of Tonkin is critical to the retention in non-Communist hands of mainland Southeast Asia. However, should Burma come under communist domination, a communist military advance through Thailand might make Indochina, including Tonkin, militarily indefensible. The execution of the following U.S. courses of action with respect to individual countries of the area may vary depending upon the route of communist advance into Southeast Asia.

6. Actions designed to achieve our objectives in Southeast Asia require sensitive selection and application, on the one hand to assure the optimum efficiency through coordination of measures for the general area, and on the other, to accommodate to the greatest practicable extent to the individual sensibilities of the several governments, social classes and minorities of the area.

COURSES OF ACTION

Southeast Asia

7. With respect to Southeast Asia, the United States should:

a. Strengthen propaganda and cultural activities, as appropriate, in relation to the area to foster increased alignment of the people with the free world.

b. Continue, as appropriate, programs of economic and technical assistance designed to strengthen the indigenous non-communist governments of the area.

c. Encourage the countries of Southeast Asia to restore and expand their commerce with each other and with the rest of the free world, and stimulate the flow of the raw material resources of the area to the free world.

d. Seek agreement with other nations, including at least France, the UK, Australia and New Zealand, for a joint warning to Communist China regarding the grave consequences of Chinese aggression against Southeast Asia, the issuance of such a warning to be contingent upon the prior agreement of France and the UK to participate in the courses of action set forth in paragraphs 10c, 12, 14f (1) and (2), and 15 e (1) and (2), and such others as are determined as a result of prior trilateral consultation, in the event such a warning is ignored.

e. Seek UK and French agreement in principle that a naval blockade of Communist China should be included in the minimum courses of action set forth in paragraph 10c below.

f. Continue to encourage and support closer cooperation among the countries of Southeast Asia, and between those countries and the United States, Great Britain, France, the Philippines, Australia, New Zealand, South Asia and Japan.

g. Strengthen, as appropriate, covert operations designed to assist in the achievement of U.S. objectives in Southeast Asia.

h. Continue activities and operations designed to encourage the overseas Chinese communities in Southeast Asia to organize and activate anti-communist groups and activities within their own communities, to resist the effects of parallel pro-communist groups and activities and, generally, to increase their orientation toward the free world.

i. Take measures to promote the coordinated defense of the area, and encourage and support the spirit of resistance among the peoples of Southeast Asia to Chinese Communist aggression and to the encroachments of local communists.

j. Make clear to the American people the importance of Southeast Asia to the security of the United States so that they may be prepared for any of the courses of action proposed herein.

Indochina

8. With respect to Indochina the United States should:

a. Continue to promote international support for the three Associated States.

b. Continue to assure the French that the U.S. regards the French effort in Indochina as one of great strategic importance in the general international interest rather than in the purely French interest, and as essential to the security of the free world, not only in the Far East but in the Middle East and Europe as well.

c. Continue to assure the French that we are cognizant of the sacrifices entailed for France in carrying out her effort in Indochina and that, without overlooking the principle that France has the primary responsibility in Indochina, we will recommend to the Congress appropriate military, economic and financial aid to France and the Associated States.

d. Continue to cultivate friendly and increasingly cooperative relations with the Governments of France and the Associated States at all levels with a view to maintaining and, if possible, increasing the degree of influence the U.S. can bring to bear on the policies and actions of the French and Indochinese authorities to the end of directing the course of events toward the objectives we seek. Our influence with the French and Associated States should be designed to further those constructive political, economic and social measures which will tend to increase the stability of the Associated

States and thus make it possible for the French to reduce the degree of their participation in the military, economic and political affairs of the Associated States.

e. Specifically we should use our influence with France and the Associated States to promote positive political, military, economic and social policies, among which the following are considered essential elements:

(1) Continued recognition and carrying out by France of its primary responsibility for the defense of Indochina.

(2) Further steps by France and the Associated States toward the evolutionary development of the Associated States.

(3) Such reorganization of French administration and representation in Indochina as will be conducive to an increased feeling of responsibility on the part of the Associated States.

(4) Intensive efforts to develop the armies of the Associated States, including independent logistical and administrative services.

(5) The development of more effective and stable Governments in the Associated States.

(6) Land reform, agrarian and industrial credit, sound rice marketing systems, labor development, foreign trade and capital formation.

(7) An aggressive military, political, and psychological program to defeat or seriously reduce the Viet Minh forces.

(8) US-French cooperation in publicizing progressive developments in the foregoing policies in Indochina.

9. In the absence of large scale Chinese Communist intervention in Indochina, the United States should:

a. Provide increased aid on a high priority basis for the French Union forces without relieving French authorities of their basic military responsibility for the defense of the Associated States in order to:

(1) Assist in developing indigenous armed forces which will eventually be capable of maintaining internal security without assistance from French units.

(2) Assist the French Union forces to maintain progress in the restoration of internal security against the Viet Minh.

(3) Assist the forces of France and the Associated States to defend Indochina against Chinese Communist aggression.

b. In view of the immediate urgency of the situation, involving possible large-scale Chinese Communist intervention, and in order that the United States may be prepared to take whatever action may be appropriate in such circumstances, make the plans necessary to carry out the courses of action indicated in paragraph 10 below.

c. In the event that information and circumstances point to the conclusion that France is no longer prepared to carry the burden in Indochina, or if France presses for an increased sharing of the responsibility for Indochina, whether in the UN or directly with the U.S. Government, oppose a French withdrawal and consult with the French and British concerning further measures to be taken to safeguard the area from communist domination.

10. In the event that it is determined, in consultation with France, that Chinese Communist forces (including volunteers) have overtly intervened in the conflict in Indochina, or are covertly participating to such an extent as to jeopardize retention of the Tonkin Delta area by French Union forces, the United States should take the following measures to assist these forces in preventing the loss of Indochina, to repel the aggression and to restore peace and security in Indochina.

a. Support a request by France or the Associated States for immediate action by the United Nations which would include a UN resolution declaring that Communist China has committed an aggression, recommending that member states take whatever action may be necessary, without geographic limitation, to assist France and the Associated States in meeting the aggression.

b. Whether or not UN action is immediately forthcoming, seek the maximum possible international support for, and participation in, the minimum courses of military action agreed upon by the parties to the joint warning. These minimum courses of action are set forth in subparagraph c immediately below.

c. Carry out the following minimum courses of military action, either under the auspices of the UN or in conjunction with France and the United Kingdom and any other friendly governments:

(1) A resolute defense of Indochina itself to which the United States would provide such air and naval assistance as might be practicable.

(2) Interdiction of Chinese Communist communication lines including those in China.

(3) The United States would expect to provide the major forces for task (2) above; but would expect the UK and France to provide at least token forces therefor and to render such other assistance as is normal between allies, and France to carry the burden of providing, in conjunction with the Associated States, the ground forces for the defense of Indochina.

11. In addition to the courses of action set forth in paragraph 10 above, the United States should take the following military actions as appropriate to the situation:

a. If agreement is reached pursuant to paragraph 7-e, establishment in conjunction with the UK and France of a naval blockade of Communist China.

b. Intensification of covert operations to aid anti-communist guerrilla forces operating against Communist China and to interfere with and disrupt Chinese Communist lines of communication and military supply areas.

c. Utilization, as desirable and feasible, of anti-communist Chinese forces, including Chinese Nationalist forces in military operations in Southeast Asia, Korea, or China proper.

d. Assistance to the British to cover an evacuation from Hong Kong, if required.

e. Evacuation of French Union civil and military personnel from the Tonkin Delta, if required.

12. If, subsequent to aggression against Indochina and execution of the minimum necessary courses of action listed in paragraph 10-c above, the United States determines jointly with the UK and France that expanded military action against Communist China is rendered necessary by the situation, the United States should take air and naval action in conjunction with at least France and the U.K. against all suitable military targets in China, avoiding insofar as practicable those targets in areas near the boundaries of the USSR in order not to increase the risk of direct Soviet involvement.

13. In the event the concurrence of the United Kingdom and France to expanded military action against Communist China is not obtained, the United States should consider taking unilateral action.

Burma

14. With respect to Burma, the United States should:

a. Encourage the Burmese Government to cooperate fully with the anti-communist nations, and be prepared to furnish to Burma military equipment, supplies and advice as appropriate.

b. Arrange to conduct a full and frank exchange of views with the British Government with the object of re-examining policy toward Burma and seeking any joint or coordinated action which might contribute toward an improvement in the situation in Burma. Urge the inclusion of elements from other Commonwealth countries in the British Services Mission, emphasizing participation by Asian nations, especially India.

c. Attempt to arouse the Burmese, Pakistan, and Indian Governments to the dangers of Chinese Communist expansion and to the need for effective military defense against it, including coordinated military action with other Southeast Asian countries.

d. Develop united action and cooperation among indigenous, anti-communist groups in Burma to resist communist encroachments. Make preparations for the establishment of guerrilla forces among suitable ethnic groups for possible use against the communists. Unless the Burmese Government should cease to be non-communist, however, the major consideration should be to take no action that would involve serious risk of alienating the Burmese Government.

e. Conduct as appropriate economic and technical assistance programs in Burma which will have a maximum favorable impact, particularly in the short-term, upon the Burmese people and government.

f. In the event of overt Chinese Communist aggression against Burma, take the following action:

(1) Support an appeal to the UN by the Burmese Government.

(2) Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

(3) Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

g. In the event of a seizure of power at the seat of government in Burma by local communists, activate to the extent practicable the guerrilla forces referred to in paragraph 14d above.

h. If, in spite of the preceding courses of action, communist control of all or a substantial part of Burma becomes inevitable, support any trustworthy elements capable of continued resistance to communism in order to delay the consolidation and exploitation of communist gains, and to minimize the psychological consequences of such a communist victory.

Thailand

15. With respect to Thailand, the United States should:

a. Continue to assist the Government of Thailand in creating conditions of internal security, in becoming a stabilizing force in Southeast Asia, and in maintaining its alignment with the free world; and as appropriate conduct military and economic and technical assistance programs designed to support these ends.

b. In the event of communist domination of either Indochina or Burma:

(1) Immediately consider increasing the priority and volume of military aid to Thailand.

(2) Immediately put into effect whatever measures may be determined as feasible to forestall an invasion of Thailand or a seizure of power by local Thai communists.

c. In the event of Chinese Communist aggression against Thailand:

(1) Support an appeal to the UN by the Thai Government.

(2) Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

(3) Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

Malaya

16. With respect to Malaya, the United States should:

a. Support the British in their measures to eradicate communist guerrilla forces and restore order.

b. In the event of Chinese Communist aggression against Malaya, in addition to appropriate military action contemplated against Communist China, the United States should assist in the defense of Malaya as appropriate, as part of a UN collective action or in conjunction with the United Kingdom and any other friendly governments.

Indonesia

17. With respect to Indonesia, the United States should:

a. Seek to strengthen the non-communist political orientation of the government, promote the economic development of Indonesia, and influence Indonesia toward greater participation in measures which support the security of the area and Indonesian solidarity with the free world.

b. If requested by the Indonesian Government, and as appropriate, make available military equipment and supplies necessary for the maintenance of internal security, and furnish technical assistance and supplies designed to assist in creating conditions essential for political stability and to make effective use of Indonesian resources.

c. In the event of a seizure, or attempted seizure, of power by internal communist action in Indonesia:

> (1) Seek maximum international response to a request by the legal government for friendly nations to come to its assistance against the insurgents.
>
> (2) Consistent with world-wide U.S. commitments, take appropriate military and other action to wrest the area from communist control.

d. In the event of Chinese Communist aggression against Indonesia, in addition to appropriate military action contemplated against Communist China, take appropriate military action to assist in the defense of Indonesia as part of a UN collective action or in conjunction with other friendly governments.

Conference files, lot 59 D 95, CF 111

United States Summary Minutes of Bipartite Foreign Ministers Meeting With the United Kingdom [1]

[Extract]

TOP SECRET
MTL USUK-3

LONDON, June 26, 1952—3-4:30 p. m.

Present:

United Kingdom
Mr. Eden
Mr. Selwyn Lloyd
Sir William Strang
Sir Pierson Dixon
Sir Roger Makins
Sir James Bowker
Mr. Scott
Mr. Lloyd Hood
Mr. Bass
Mr. Allen
Mr. Shuckburgh

United States
Secretary Acheson
Ambassador Gifford
Ambassador Jessup
Mr. Nash
Mr. Perkins
Mr. Nitze
Mr. Battle
Miss Kirkpatrick
Mr. Ringwalt
Mr. Palmer

. . . .

Mr. Eden opened the conversation on Indo-China by stating that it might be well, during the bilateral discussions, to go over together what could be said to Mr. Schuman in the trilateral discussions. He anticipated that Mr. Schuman might take the by now familiar line that there was little prospect for victory in Indo-China and that, unless a general settlement were reached, the best we could hope for would be a stalemate. This did not accord to the understanding of the British Government, which has the impression that the situation is improving somewhat; certainly there is a better government, there is wider representation in the government, and active Vietnamese participation. Mr. Eden said that he planned to discuss the situation with Mr. Schuman along such lines in the hope of stimulating his morale and divorcing him from his relatively defeatist attitude. The Secretary replied that he had been discussing Indo-China with the French along the lines he and Mr. Eden had taken in the tripartite discussions in Paris. He expressed the opinion that the only avenue to success in Indo-China is the rapid build-up of native armed forces and the assumption by the people of Vietnam of an increasing share of the financial and military burden. The Secretary announced that the French had been informed that the United States was prepared to increase its military assistance program for Indo-China by $150 million. He added that the United States, feeling that the French military training program was badly strained, had offered to assist them in this respect, but that the French, always skittish over what they might regard as undue American interference, had not taken up this offer. Certainly it is not up to the Americans to press on the French assistance along these lines. The Secretary said that it was obvious that Mr. Letourneau was much encouraged as a result of his visit to Washington. He asked Dr. Jessup to read the text of the Department's telegram 2014, June 18 [*20*], to Saigon, summarizing the discussions with Mr. Letourneau.[2]

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[1] All British participants were from the Foreign Office: John Selwyn Lloyd, Minister of State; Sir William Strang, Permanent Under Secretary of State; Sir Roger Makins, Deputy Under Secretary of State; and Sir Robert James Bowker, Assistant Under Secretary of State, whose duties included supervision of the Eastern Department.

American participants not previously identified are: Arthur Ringwalt, First Secretary at London; Joseph Palmer II, First Secretary at London.

The Secretary said that he had warned the French that success in the military field in Indo-China carried with it certain dangers, including the increased possibility of a large-scale Chinese Communist military intervention. He said that this in turn points up the question, "How can we prevent this from happening?" He felt it would be desirable to issue a warning statement of some sort, whether public, private, detailed and specific, or otherwise, but it would be essential to have a general understanding as to the action which we might take if the warning were to go unheeded. To issue a warning and take no effective action would be calamitous. Perhaps the United States and the United Kingdom, preferably in conjunction with France, Australia, and New Zealand, can reach a tentative agreement on political policy in this regard which would form a framework for joint military planning. This, in turn, leads to the major question: "What form could retaliation against aggression take?" The American military authorities are of the strong opinion that action only against the approaches to Indo-China would be ineffective. In fact, the first problem which we would likely have to face would be the evacuation of French military and civilians from Tonkin. Action confined to the air and naval arms directed against the Chinese Communists in Indo-China would likewise be ineffective and, in the light of world commitments, the United States has no infantry available for operations within Indo-China. The United States thinking is along the lines of a blockade of the coast of China, combined with air action, designed to upset the economy of mainland China and to lessen the will of the Chinese Communists to continue their aggression. Such action would cease when aggression ceased, and this would be made clear to everyone. Every effort should be made to avoid action in areas of acute sensitivity to the Soviet Union. We are of the opinion that the Soviet Union would probably not enter the conflict if it understood clearly that we had no intention of attempting to overthrow the Chinese Communist regime by force. We must bear in mind that the Chinese Communists have a formidable air force, and we may be forced to attack it wherever it is found. If the Chinese Communists do invade Indo-China in substantial force, it will be a threat to the vital interests of all of us.

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[2] For text, see vol. XIII, Part 1, p. 204.

Mr. Eden said that he saw no serious objection to the issuance of a warning; he recalled that he had already issued a public warning in his speech at Columbia University. He felt that, whether or not a warning is issued, it would be important to have the Chinese Communists know that retaliation against further Chinese aggression is being urgently considered.

The Secretary reiterated that there was an urgent need for basic political guidance on the basis of which military talks could proceed. Mr. Eden said that he would wish to consult the Cabinet on basic policy, noting that a naval blockade involving Hong Kong was a serious question.

There was general agreement that the Secretary and Mr. Eden would conduct their discussions with Mr. Schuman along the above lines.

. . . .

Conference files, lot 59 D 95, CF 111

United States Summary Minutes of Tripartite Foreign Ministers Meeting With France and the United Kingdom [1]

[Extract]

TOP SECRET LONDON, June 27, 1952—3:30-5 p. m.

MTL TRI-2

Present:

United Kingdom	*France*
Mr. Eden	M. Schuman

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[1] All British participants not previously identified were from the Foreign Office: The Marquess of Reading, Parliamentary Under Secretary of State; presumably William Denis Allen, Head of the German Political Department; Lord Hood, a Counselor. French participants not previously identified are: Guy le Roy de la Tournelle, Director General of Political Affairs, Foreign Ministry; Roger Seydoux, Minister at Washington; Raymond Offroy, Diplomatic Counselor with the High Commissioner in Indochina; Jacques Roux, in charge of Asia-Oceania in the Foreign Ministry.

Of the American participants Philip D. Sprouse was First Secretary at Paris.

Mr. Selwyn Lloyd
Sir William Strang
Sir Pierson Dixon
Lord Reading
Mr. Frank Roberts
Mr. Scott
Mr. Denis Allen
Lord Hood

Ambassador Massigli
M. de Latournelle
M. Seydoux
M. Offroy
M. Laley
M. Roux
M. Lebelle
M. Mattei
M. Letourneau

United States
Secretary Acheson
Ambassador Gifford
Ambassador Dunn
Ambassador Jessup
Mr. Perkins
Mr. Nitze
Mr. Hacker
Mr. Sprouse
Mr. Ringwalt
Mr. Nash
Mr. Battle
Miss Kirkpatrick

. . . .

Schuman: Military questions regarding Indochina and Southeast Asia have previously been discussed, as was done at Paris, and I should like to speak especially regarding political matters. At Washington a communiqué [2] was issued at the end of Mr. Letourneau's talks in which it was said that the French effort in Indochina was an integral part of the free world's struggle against Communist aggression. I hope that the UK will agree to this principle and that we could confirm it here in the communiqué at the end of our meetings as a sign of Western solidarity. This is the first point, which I wish to make to Mr. Eden.

The second question was dealt with at Paris, that is, the *Ad Hoc* Committee conclusions. These conclusions, assuming a large scale attack from Communist China, refer to air and sea support by our Allies for definite limited tasks. There is reference to the question of evacuation from Tonkin. These were the unanimous proposals of the military experts. Could they be approved diplomatically? I hope that we can have political approval of the studies of the *Ad Hoc* Committee in Washington in February.

The third point is the establishment of some sort of permanent military organization to concern itself with the whole of Southeast

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[2] Released June 18; for text, see Department of State *Bulletin*, June 30, 1952, p. 1010.

Asia, to study the military situation and to suggest measures to be taken. This organization would not be just for Indochina.

There are also other political questions. The question of a statement which would indicate Western solidarity, for which two formulae are possible: (1) A direct warning to the Chinese Communists against aggression. We have certain doubts about a direct warning of this kind. Its drawbacks are as considerable as its advantages. (2) A statement by 2, 3 or more countries—I have Australia in mind—saying that none of the countries joining in the statement would admit or tolerate aggression against the countries concerned. This would show Western solidarity and would run less risk of provocation of the Chinese Communists.

Eden: You will recall that I made a statement at Columbia University on the subject of Chinese aggression. I must examine the question of the principle contained in the Washington communiqué and am not now prepared to include it in the communiqué at the end of the meetings. It is important that we draw up political assumptions for the military talks to be held.

The Secretary: Mr. Schuman has made three suggestions. He wishes to put into the communiqué at the end of our meetings the principle contained in the Washington communiqué. We are willing to say again what we said in that communiqué. With reference to political support for some of the *Ad Hoc* Committee conclusions, I said at Paris that we would be glad to have the military people deal with the matter. We would, however, rather look at the whole thing rather than in part at this time. With reference to a permanent military organization, we would rather have such an organization grow out of the military talks in preference to setting it up before agreement on military policy.

With reference to the last suggestion of Mr. Schuman regarding formulae for a possible statement, this should grow out of the political guidance principles. A public warning may not be wise and a private warning might be wise. A public statement by 2, 3 or 4 nations might carry far reaching implications. This question should be worked out between us.

Schuman: We must avoid being caught in a vicious circle. The military say that they must have political instructions and we say that the military must finish their work. We have reached the stage where we must give political instructions. Mr. Eden said that he was not able to join in inserting the principle of the Washington communiqué into the communiqué to be issued at the end of our meetings. He asks whether it should include Malaya. I would answer "yes". A warning in moderate language would produce an impression on the Chinese Communists and others. A direct warning might result in adverse reactions. This question should be examined again or events may outstrip us.

The Secretary: There seems to be some misunderstanding. Neither Mr. Eden nor I said that the military should not have political guidance before they continue their work. We are both ready to go to work at once to provide political guidance.

Mr. Letourneau: Some parts of the conclusions of the *Ad Hoc* Committee were agreed upon by all the representatives on the Committee. We should make possible the issuance of political directives which are wanted for those points on which no *Ad Hoc* Committee agreement was reached. The US military experts said they could go so far and no farther. All the points discussed are in the *Ad Hoc* Committee report. We find points agreed upon and those not agreed upon. Mr. Schuman mentioned some of those points; for example, the warning to the Chinese Communists and the permanent military organization. These are discussed in the Committee report. The Committee must continue its work and it needs political advice and directives. The *Ad Hoc* Committee report also states that, while the Committee began with Indochina, it has also examined all Southeast Asian territories and discussed possible Chinese Communist aggression in Southeast Asia.

Mr. Eden: We are all agreed that we must formulate political guidance. We should have certain assumptions: (1) Chinese Communist aggression; (2) we are prepared to take action in that event; (3) we must tell the Chinese we will take action in that event; and (4) the action must not be such as to risk Soviet involvement.

The Secretary: We must sit down and draw up a paper as political guidance and the *Ad Hoc* Committee will then tell us what it is feasible to do within the confines of this guidance. With reference to Mr. Eden's statement regarding avoiding action which would result in Soviet involvement, all action involves some kind of risk of this nature.

Mr. Eden: I agree but feel that we should reduce the risk to the minimum. With respect to the assumptions for political guidance, I suggest that we submit our assumptions to each other.

The Secretary: We might produce a written paper first and then discuss it or we might discuss the question first and then produce a written draft. Messrs. Nash and Nitze are here and would be glad to meet with British and French representatives in London or in Paris.

Mr. Eden: Either here or in Paris.

Mr. Letourneau: I would like to know if the UK and the US could approve those *Ad Hoc* Committee conclusions unanimously agreed upon. Mr. Eden said at Paris that they had not yet been considered by the UK but the French Government has agreed unanimously on the conclusions. Next, I would like to bring up the question of the date of the meeting of the *Ad Hoc* Committee after political guidance has been formulated. Whether the political guidance should be put into directives by the government or in draft form is a question for decision. But the Committee meeting must be soon. In Washington the *Ad Hoc* Committee members spoke of the second half of July.

Mr. Eden: The UK JCS did not think that the conclusions represented agreements. I see no reason why the Committee shouldn't meet in mid-July.

Mr. Letourneau: I would like to ask whether the UK accepts a meeting of the experts here or in Paris to draft political directives for the *Ad Hoc* Committee.

Mr. Eden: They can start tomorrow morning.

The Secretary: The paper on political guidance would have to be looked at by the governments. Messrs. Nash and Nitze are here and can start tomorrow morning.

(In general discussion it was decided that the US-UK-French representatives would meet at the Foreign Office the following morning at 11 o'clock.)[3]

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[3] Telegram Secto 42 from London, June 28, is a report on a conversation between Acheson and Schuman on that date. The portion on Southeast Asia reads:

"The Secretary then referred to the exchange of views yesterday at the tripartite meeting on the question of the defense of Southeast Asia. He told Mr. Schuman that he thought it wld be a mistake to even consider the setting up of any special organ to deal with the defense of Southeast Asia, that it was important for the govts concerned with that area to come to definite conclusions as to what each one wld do with regard to the defense there and that he felt that this cld best be done by having conversations and exchanges of views from time to time on the subject and to maintain service of liaison between the govts, perhaps in Wash. He said that Mr. Nash and Mr. Nitze, working with Mr. Dunn, had already started discussions this morning with the French and the British with respect to the Indochinese sitn and that these conversations wld be continued in Paris next week. He said that when this group had arrived at the point of putting something on paper they cld be submitted to the three govts for their consideration. Mr. Schuman expressed himself as appreciative of the steps thus taken and in entire accord with the Secy's views on the defense of this area." (Conference files, lot 59 D 95, CF 111)

Conference files, lot 59 D 95, CF 111

United States Summary Minutes of Bipartite Foreign Ministers Meeting With the United Kingdom

[Extract]

SECRET LONDON, June 28, 1952—12:30-1:30 p. m.
MTL USUK-4

Present:

United Kingdom	*United States*
Mr. Eden	Secretary Acheson
Mr. Selwyn Lloyd	Ambassador Gifford
Sir William Strang	Ambassador Jessup
Sir Pierson Dixon	Mr. Perkins
Sir Roger Makins	Mr. Nitze
Mr. Scott	Miss Kirkpatrick
Sir James Bowker	Mr. Battle
Mr. Allen	Mr. Ringwalt
	Mr. Palmer

. . . .

United Kingdom Observer to the Pacific Council

Mr. Eden opened the conversation by assuring the Secretary that the United Kingdom was not in any sense trying to "gate crash" on the question of the Pacific Council. Nevertheless, he said, as a Pacific power the United Kingdom would hope to have a representative present in meetings of the Pacific Council. Mr. Eden mentioned that he had recently discussed this matter with Mr. Menzies, who had remarked that the presence of a British representative might create difficulties for the United States. The Secretary replied that he agreed in principle to some sort of British representation but feared that the attendance of a United Kingdom observer, at least for the present, would create difficulties for all concerned, resulting as it would in other nations with interests in the area, including the Filipinos, the French, and even the Indonesians, requesting the presence of an observer. Nevertheless, the Secretary said, he would be glad to discuss the question with Mr. Menzies and Mr. Holland in the forthcoming meeting in Honolulu. Mr. Lloyd remarked that the Government would have to expect severe criticism as it would go down badly here that an agreement had been made to establish a Pacific Council and that the United Kingdom was without representation on the Council. Mr. Eden wound up by stating that the Government could at least say that the British position was well understood and that it would be discussed at the next meeting of the Council.[1]

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[1] In a press release of June 30, the Department announced that the Council would meet in Honolulu the first week of August. For text, see Department of State *Bulletin*, July 21, 1952, p. 110.

Simultaneous announcement was made in Canberra and Wellington.

751G.5/6-2852: Telegram

The Ambassador in the United Kingdom (Gifford) to the Department of State [1]

TOP SECRET LONDON, June 28, 1952—4 p. m.

5999. Meeting held this morning at Foreign Office with Scott and Murray [2] as UK representatives, La Tournelle, Offroy, Roux, and Leroy [3] French representatives, and Nitze, Nash, Sprouse and Ringwalt for US to formulate policy guidance for *ad hoc* committee.

Following draft paper, based on original UK draft presented at meeting, agreed upon for submission to respective governments:

"It is suggested that military representatives of USA, UK, France, Austria [*Australia*] and New Zealand should meet to consider defense SEA and particularly Indochina against armed Chinese aggression. They should be guided in their deliberations by the following provisional conclusions agreed by the governments concerned:

1. (a) That in event of further Chinese aggression joint agreed action would be taken;

(b) That it will be necessary to demonstrate in advance to Chinese by some appropriate method that aggression will not pay;

(c) That the action taken is not designed to overthrow present Chinese (Commie) Government but to cause them to cease their aggression;

(d) That in action to be taken risk of provoking Soviet armed support to China should be reduced to minimum consistent with effectively carrying out the task in (c) above;

(e) That (if aggression occurs) action, at any rate to begin with, should if possible, be confined to area of aggression and support areas in Chinese territory.

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[1] Repeated for information to Paris and Saigon.

[2] James Murray, Head of the South East Asia Department of the Foreign Office under Scott.

[3] Jean Leroy, Counselor of the Embassy in London.

2. The objects of such a meeting of military representatives should be:

I. To advise governments on scale, objectives and probable effectiveness of action considered practicable, Tonkin being in particular considered as one of positions of paramount military importance to free world in Asia;
II. To recommend alternative military courses of action in light of their relative military effectiveness and their relation to likelihood of Soviet involvement;
III. To make recommendations regarding possible establishment of a military organization to make aforesaid action effective if need arises, and in particular to prepare appropriate military plans for submission to governments."

Discussion revealed French major preoccupation with defense Tonkin and both French and UK obsession with avoidance action which might lead to Soviet involvement. US representatives made clear they too were equally desirous minimizing risks Soviet involvement but emphasized that any action entailed such risk and that it was essential to take effective action which would lead to attainment objective to causing Chinese to cease aggression. US representatives also emphasized danger ineffective action which would merely lead to continuation present drain and eventually loss of SEA, with attendant increasing pressures on Europe, Japan and Pacific flank. UK representatives also indicated some reservation regarding effectiveness naval blockade and risk Soviet reactions, particularly if extended to Dairen and Port Arthur.

It was preliminarily decided that finalization of paper would take place at Paris between UK-US Ambassadors and French Foreign Office.[4]

Subsequent to meetings, Scott had brief exchange of views with Ringwalt. Scott felt that substantial progress had been made but warned that in effort meet US position he might have concurred in measures which UK Joint Chiefs would be unwilling support.[5]

GIFFORD

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[4] Documentation on implementation of this course of action has not been found in Department of State files.

[5] Telegram Secto 49 from Vienna, June 29, marked "Eyes Only Matthews", includes a repetition of the draft text given above, together with this conclusion:

"Secretary studied paper en route Berlin. He wld change second sentence, first paragraph to read, 'They should be guided in their deliberations by the following provisional statement.' (Reason for change is to avoid fact or appearance of secret agreement).

"Secretary assumes it was not possible to get agreement on mentioning specifically bombing and blockade.

"Secretary wishes careful study be given to paragraph (c) for reasons familiar to Department in connection revision NSC paper." (Conference files, lot 59 D 95, CF 116)

790.5/7-1552

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Deputy Under Secretary of State (Matthews)

TOP SECRET [WASHINGTON,] July 15, 1952.

Subject: Proposed Tripartite Conference on the Defense of Southeast Asia

Reference is made to the paper dated July 11th from the Chairman of the Joint Chiefs of Staff to the Secretary of Defense [1] on the above subject. This memorandum was furnished to the Department on an informal basis by Mr. Charles Noyes. It is my understanding that it has not yet received the approval of the Secretary of Defense and that in fact Defense would welcome an opportunity for further informal discussion with us prior to a final firming up of Defense's position.

The Joint Chiefs position may be summarized as follows:

1. The Joint Chiefs do not believe that the draft working paper [2] agreed to tripartitely at London furnishes a basis for military conversations.
2. Useful military conversations would result only from expanded joint agreed political guidance.
3. Every effort must be made to obtain tripartite agreement on at least the minimum course of military action referred to in paragraphs 7e and 10c of NSC 124/2.[3] When this has been achieved the Joint Chiefs would agree to a purely military tripartite meeting in accordance with certain agreed terms involving the following major variations from those contained in the London draft:

   a. Australia and New Zealand would appear as observers rather than as participants.

   b. Instead of "alternative military courses of action" the military conference would come up with "recommended courses of action".

   c. The joint action to be taken in the event of further Chinese aggression "would not necessarily be the limit of actions taken by the governments concerned" (i.e., we, and the others, would have a sort of blank check to go unilaterally beyond tripartite agreement).

   d. The Joint Chiefs wish to spell out the issuance of "a joint warning to Communist China" whereas the London draft merely stated that "It may be necessary to demonstrate in advance that aggression will not pay".

   e. The Joint Chiefs in speaking of the possible overthrow of the Chinese Communist Government state that this would not be the primary objective of the action contemplated and add that "such an overthrow incident to the attainment of the primary objective would not be precluded".

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[1] Not printed. (790.5/7-1552)

[2] For text, see telegram 5999, *supra*.

[3] Dated June 25, p. 125.

f. The Joint Chiefs wish to use the language contained in NSC 124/2 regarding the risk of Soviet intervention i.e., "by avoiding insofar as practicable those targets in areas near the borders of USSR".

g. The Joint Chiefs entirely eliminated the language from paragraph e of the London draft which states that "action at any rate to begin with should if possible be confined to areas of aggression and support areas in Chinese territory". Thus their proposed draft is far less restrictive than the London draft.

4. Thereafter a high-level conference of "heads of state or their representatives and the Chiefs of Staff of the US, Great Britain and France" is proposed to achieve the agreements believed necessary "for the successful defense of Southeast Asia and the prevention of limited war" (*sic*).

5. This high-level meeting would be designed to obtain agreement of the governments concerned to take all necessary measures without geographic limitation or the exclusion of any capability and also to determine the sequence and extent of necessary military action to repel further Chinese Communist aggression and restore peace and order to the area.

To sum up, the Joint Chiefs propose three steps:

a. A political agreement on terms of reference for a military meeting. This agreement would involve reopening of the London negotiation.

b. A meeting of military representatives in accordance with the expanded terms of reference.

c. A very high level politico-military meeting presumably designed to pass upon and reach final agreement on the recommendations formulated by the military in accordance with the expanded terms of reference.

I can see no prospect of agreement on the above either between ourselves and the Pentagon or between this Government and the British and French. I submit the following general comments:

1. It seems to me that the question of issuing a warning either secret or publicly to the Chinese Communists regarding the consequences of further aggression on their part is no longer timely. As you recall the British have already indicated that, in their opinion, the warning has, for all practical purposes, already been delivered. There can be no doubt in anyone's mind that such an aggression would encounter prompt reaction on our part and that we are in fact already making a major effort to enable France and the Associated States to resist the aggression already taking place. The fact of tripartite conversation and, presumably, planning is also public knowledge.

2. It is obviously up to us to be prepared for anything which may happen. Nevertheless it is legitimate to ask ourselves how immi-

nent is the danger of a stepped up Chinese aggression in Indochina to a point which would warrant a conclusion that a new military situation justifying new measures on our part exists. I do not believe such a change to be very imminent although we must certainly to the extent possible concert the measures which we would take if such aggression developed.

3. A certain measure of agreement between ourselves, the British and the French as to what we would do in the event of further Chinese aggression already exists. We would certainly supply air and naval support to Indochina and we have tripartitely agreed to ask our military for recommendations regarding action to be taken against the "areas of aggression and support areas in Chinese territory". There is certainly a considerable field of action for military discussions, planning and possible preparations.

4. Is it desirable at this time to press further on the highest tripartite political level the question of "limited war" (I use the JCS language) versus the almost unlimited war against Communist China which is apparently advocated by the Pentagon in the event of further Chinese aggression? This is not an issue on which we are apt to secure a prompt agreement with our Allies. It is an issue which will generate considerable heat and which will therefore inevitably become public. Is this the time when we wish to encourage publicity in this direction? Would it not be possible at this time merely to enter a general caveat regarding the effectiveness of the measures agreed to by the French and British while at the same time we would proceed to work out those measures in military conversations. While the conversations are taking place, our military people might unilaterally work out the expanded measures which they think should be taken and which I understand would mainly be carried out by us in any case. At some later opportune moment these could be presented to our Allies in a fully discussed and supported form. I have been much struck at the failure on our part to express exactly what we have in mind when we speak of expanded air bombardment and naval blockade in relation to further Chinese aggression. We have not really worked out the military, political or economic angles of our program.

5. If we were to accept the Joint Chiefs position and submit it to the British and French Governments, we would in effect be canceling the effort made at London both by the Foreign Ministers and by the working group to reach an agreed position. We would in fact be back where we were last February. As you are aware, the French Cabinet has accepted the working paper and the French Government is pressing for the military talks. Indications are that the British Government will also accept the paper in the very near future with a reservation urged by the Chiefs of Staff rejecting the setting up of a continuing military organization. In fact, there has been talk as to the desirability of holding the conversations before the end of the month.

Recommendation. It is recommended that you inform the Joint Chiefs that the Department does not believe it feasible, in view of the negotiations which have already taken place at ministerial level with the participation of a Defense representative, to reject the London working paper in its entirety or to make a counterproposal along the lines of the Joint Chiefs thinking. We therefore propose acceptance of the London working paper as a basis for the working out on the military level of certain measures to be agreed on in the event of further Chinese aggression but at the same time we would reserve our right at a later date to submit for consideration both at the political and the military level certain expanded or alternative courses of action.

State–JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] July 16, 1952—11 a. m.

[Here follows a list of the persons present (24). Only General Bradley attended for the Joint Chiefs. The Army, Navy, and Air Force groups were led by General John E. Hull, Vice Chief of Staff; Admiral Donald B. Duncan, Vice Chief of Naval Operations; and General Nathan F. Twining, Vice Chief of Staff, respectively. Matthews headed the Department of State group.

[The meeting opened with discussion of Korean matters; for text of this section, see volume XV, Part 1, page 409.]

Southeast Asia

General Bradley: We have studied your paper [2] and have made a few suggested changes. We changed the expression "foreign ministers" to "heads of states or their representatives" with the idea of giving the representatives more power.

Mr. Matthews: I take it you do not really mean that Queen Elizabeth and President Auriol should meet with President Truman. I suppose you mean heads of governments.

General Bradley: Yes, that is right. In other words, if military representatives went along they would go as representatives of heads of governments. Perhaps they do not want them to have as much authority as that and want to have their views referred back to governments. That is something I am not sure about.

Mr. Nitze: I think there may be a difference between us in our starting points. Your paper [3] describes the paper under consideration [4] as the initial British approach. Actually it represents a considerable revision of the British position. The original British position was wholly negative and was based entirely on the idea of local defense. They originally took the view that our action in the area would not be designed to cause the Chinese Communist government to cease its aggression but only to deter its aggression. We made it clear to the British that we do not now have the power to deter the Chinese Communist aggression locally and that it is necessary to bring pressure on China directly in order to make the Chinese Communists cease their aggression.[5] In other words, it is not just a problem of deterring but a problem of compelling them to cease aggressive action. The British accepted this point of view.

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[1] A note on the title page reads: "State Draft. Not cleared with any of participants."

[2] Reference is apparently to a Department of State draft not found in Department of State files.

[3] The JCS memorandum of July 11 to the Secretary of Defense, discussed in the memorandum *supra*.

The second point of importance is that the British originally took the view that our action must be confined to the area in which aggression was taking place and areas adjacent thereto. We took the view that we had no chance of accomplishing our objectives if we placed these restrictions on ourselves. We pointed out again that it was necessary to bring pressure on China. We had a lengthy discussion of a naval blockade in this connection, and we pointed out that we could not exclude the possibility that a naval blockade would be necessary.

There is another major point on which the British have moved in our direction. Their paper [6] in paragraph D stopped after stating the necessity of minimizing the danger of Soviet intervention. We agreed that we do not want to become involved with the Soviet Union. Our primary objective, however, is to compel the Chinese Communists to cease their aggression. We would minimize the chance of Soviet aggression to the extent consistent with doing whatever was necessary to accomplish this objective.

The British and the French felt that in approving the Working Party's paper, they exceeded their instructions. In short, we felt that we had gotten them to move quite a long distance. For this reason it seems to me that the JCS comment is inaccurate when it states that there has been no change in the British position. I think the situation is quite different than it was because the Working Party's paper places primary emphasis on the problem of getting the Chinese Communists to cease their aggression.

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[4] That is, the draft working paper of June 28.

[5] The preceding two sentences are printed as altered by handprinted alterations and interpolations. As typed they read: "They originally took the view that our action in the area would not be designed to overthrow the Chinese Communist government but only to deter its aggression. We made it clear to the British that we do not now have the power to deter the Chinese Communist aggression and that it is necessary to bring pressure on China directly in order to make the Chinese Communists cease their aggression."

[6] Not found in Department of State files.

There is a point which I should mention about the blockade. Mr. Eden thought that a naval blockade might be appropriate and necessary in certain circumstances. However, the Cabinet would have to approve any British decision to this effect. Cabinet approval would require among other things a military estimate that a naval blockade was necessary in order to get the Chinese Communists to cease their aggression. For this reason also I think that the time is now appropriate for new military discussions and that such discussions might move us one more step forward.

Admiral Duncan: I thought that all the things you have just said were reflected in our comments. I do not find this point regarding the ceasing of aggression.

Mr. Nitze: It is in the agreed Working Party paper which was drafted in London.

General Bradley: We had long discussions of this subject with the British and French last January. At the end of those discussions we were poles apart. They were willing to take some action in Southeast Asia to stop aggression, but they were not willing to do anything more. They would not even entertain the idea of a naval blockade. When we read this new paper, frankly we did not see much change from the positions they had taken in January. Perhaps some of these words you have mentioned do imply a difference but we did not think so.

Mr. Nitze: We thought that the changes in language represented a material change in position. We also thought, however, that the matter could be clarified by the preparation of an interpretative minute. We have a draft of such a minute,[7] and it is our idea that we might be able to get the British and French to approve this interpretation of the paper.

(Mr. Nitze handed copies of the draft interpretative minute to General Bradley.)

Mr. Matthews: I understand that the Working Party's paper was not just a British paper. The French participated and on our side Paul Nitze and Frank Nash also participated. Therefore, we did have some influence on the paper.

Mr. Nitze: I am not trying to maintain that we got full agreement on the policy set forth in NSC 124.[8] I firmly believe that we cannot get that policy accepted right now. Before it could be accepted, it would be necessary for the British to obtain a military view that a naval blockade would be necessary.

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[7] See the appendix to the JCS memorandum to the Secretary of Defense of Aug. 5, p. 186.

[8] Apparently a reference to NSC 124/2, p. 125.

Admiral Duncan: According to this memorandum, it was your object to seek agreement.

Mr. Nitze: We sought agreement all right but we didn't get it.

General Bradley: How can we get agreement on what we are going to do unless we can get agreement on what our objectives are?

Mr. Nitze: That is why we thought it was important to make clear that our objective is to make the Chinese Communists cease their aggression. Having got agreement on that it will follow logically and clearly that we should impose a naval blockade if a naval blockade is necessary to attain that objective.

Mr. Matthews: You will notice that paragraph 2 of our interpretative minute includes language which makes clear that our objective is to get the Chinese Communists to cease aggression. We think it might be possible to persuade the British and French to accept this as an agreed interpretation.

General Bradley: Well, we will take a look at it. I have one drafting comment. I think we might get in trouble with the expression "military committee". That term usually refers to the 15-man military committee of NATO.

Mr. Nitze: We don't need to use that expression. Let's take it out. We can say instead "military representatives" and put that in lower case.

General Bradley: Is there pressure from the French for an early meeting? Somewhere or other I have gotten the idea that they want a meeting on July 21.

Mr. Matthews: There may be some pressure from the French, but there is certainly no agreement on a meeting at that time.

Mr. Bohlen: Are you sure you're not thinking of the Democratic Convention?

Mr. Nitze: There was some reason why the French wanted an early meeting but I can't remember what it was.

Admiral Duncan: Judging from a first glance at your memorandum here, I take it that you propose to accept the Working Party's paper as written and to agree on this interpretation of it. That seems objectionable to me because there are some things in the Working Party's paper which I do not like at all. For instance, there is a paragraph concerning command arrangements which I don't like.

Mr. Matthews: The British have already indicated that they want to take that out.

Admiral Duncan: I could not agree to it.

Mr. Nitze: I think we can secure the deletion of that subparagraph 3 which deals with command areas. I am not sure that any military organization is necessary.

Mr. Matthews: The British have said that they do not want it.

Mr. Nitze: I expect we will have some trouble with the French on this point for they do want a military organization.

Admiral Duncan: Have you noticed how we put this matter in our comments? Our language refers to consultation and arrangements for coordination.

General Bradley: (Reads the paragraph in question)[9] That part about plans seems troublesome.

Mr. Matthews: That is the paragraph which the British chiefs want to delete.

Admiral Duncan: I may not be up to date on the changes in the Working Party's paper, but I really don't see a revised basis for discussions by the military representatives.

Mr. Nitze: There aren't any changes in the Working Party's paper.

Mr. Matthews: When I say that the British chiefs want to delete this paragraph that is because we have subsequently received a message[10] from London which indicates that this is the desire of the British chiefs and that the Foreign Office will recommend that the view of the British chiefs be accepted by the Cabinet.

Mr. Nitze: I think we can get the whole paragraph deleted after a fight with the French.

General Cabell:[11] Isn't the only terms of reference we need for the military meeting the language embodied in paragraph 4 of your interpretative minute?[12] If the military were supplied that one paragraph as their terms of reference, they could proceed with their business. I think if we just gave them that and made no reference to the Working Party's paper, the military representatives could get on with their job.

Mr. Bohlen: It has been our feeling that the military should have a clear shot at this problem without any political inhibitions. What we want the military to tell us is what is militarily required to restore peace and tranquility in the area. After they have determined the military requirements, the governments can then decide whether these requirements can be met and whether the risks are acceptable. I think it is important to attack the problem in this way. If we mess up the two problems and consider at the same time not only the military requirements but the political aspects of the problem, I'm afraid that we will not get anywhere.

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[9] Apparently paragraph III of the draft working paper.

[10] Not further identified.

[11] Lt. Gen. Charles P. Cabell, USAF, Director of the Joint Staff of the JCS.

[12] "4. The primary objective of any action is cessation of Chinese aggression, and the governments concerned desire to obtain from their representatives a military analysis of the courses of action militarily recommended and feasible to obtain that objective."

General Hull: It is possible for us on this side to take that kind of approach, but I don't think it will work with our allies.

Mr. Bohlen: I know that of course they always have political ideas in the back of their heads. However, if it is our clear mission to determine the military requirements quite apart from political considerations, I think we can force them to justify their recommendations on military grounds. If they have political limitations in their minds, I think we would then be in a position to back them against a wall.

Admiral Duncan: There is another point here which I must mention. The military representatives cannot make their recommendations directly to the governments. They will have to report to their respective chiefs. We would expect our representatives to report back here to the JCS. The JCS would then present the military recommendations to the government.

Mr. Matthews: The language in our minute is taken directly from your own paper. I think the language is identical.

Admiral Duncan: I'm afraid that it has in effect been taken out of context.

General Bradley: No one of us could go over there and represent the Joint Chiefs of Staff. We would have to report back to the JCS.

Admiral Duncan: The task of the military representatives participating in such a meeting is to advise their chiefs from a military point of view as to the military requirements. We would want the parties to this agreed minute to understand this point. The way the minute reads, I think it would not be understood.

General Bradley: I agree that it is necessary to make that clear. I think that you would want us to do it that way.

Mr. Matthews: That is right. We will be happy to make this clear. Incidentally, General Bradley, you referred to one of the chiefs going "over there". I think the meeting will be held here in Washington. At least that is our idea.

General Bradley: That will make some difference.

Mr. Matthews: Shall we leave this minute with you so that you can study it?

General Bradley: Yes, we will do that. We are rather skeptical after last January.

Mr. Matthews: We think it is worth another try especially in view of Mr. Eden's statement about a naval blockade.

General Bradley: We did not know that he had said that. That is encouraging. We will look this over and see if we have any comments which would clear up the points we have mentioned.

Mr. Nitze: From the American point of view, I think it would be helpful if we could forget the whole Working Party paper. I am confident, however, that we cannot do that. There are some people in the French and British governments who think we want to get involved in general hostilities with Communist China and who are not altogether sure that we wouldn't want to see hostilities extended to the Soviet Union. We have got to get that worry out of their heads before we can get ahead on this problem on an objective basis.

General Bradley: In any new discussions we are bound to be guided by NSC 124/2. We did not have a governmental position at the time of the January talks. The British and French did. Everything they said was based on the position their governments had adopted. We did not know what our government's position was. Personally, I don't see what we can accomplish unless their governmental positions have changed considerably. However, perhaps it is worth a try.

Mr. Matthews: I don't think we can lose anything and we might gain some ground.

Mr. Nitze: There is perhaps one risk in these talks. I have in mind the question of the use of atomic weapons. If it is hard to foresee how we can accomplish much without using atomic weapons, this may lead to new political difficulties. It is undoubtedly true that they will find that a very difficult idea to deal with.

General Bradley: I don't think anyone here believes that we can get into large-scale action against China and keep all of our atomic weapons in storage. We have been spending billions on them after all, and it seems to be a very effective weapon. I doubt if we can handle the problem without using them. One of the arguments against the blockade has been that it wouldn't be effective. I think that we could seriously interfere with the use of their main centers of communication if we used atomic weapons. I think we could cut down the traffic very much.

We will take another look at your paper and try to see whether we can give you any more guidance.

Admiral Duncan: Is this moving along at high speed on the basis of the working paper?

General Bradley: Is there an urgent demand for a meeting within 10 days or is it a question of a month or two months?

Mr. Nitze: For some reason or other the French found it difficult to have a meeting after the first of August. I think the rains stop in November. The French feel that it would be helpful to get an agreement among the three of us before that time. I don't think they made any great point out of it. I think that they just want to get going.

Mr. Bonsal [13] just tells me that the French have renewed their request for urgency.

Mr. Allison: May I raise one other small point about your comments. I note that it refers to Australia and New Zealand as observers rather than participants. Australia was a full participant in the first meeting, and I think it might be very difficult to try to put them back into observer status in this meeting.

General Bradley: I thought that Australia had been an observer in the first meeting.

Admiral Wooldridge: I re-read the record of the January discussions yesterday, and Mr. Allison is right. Australia was a full participant.

General Bradley: The same question arises with respect to another paper. We agreed last January to participate with the others in intelligence work. We said that we would not go along with the preparation of agreed intelligence estimates. In other words, we agreed that we would all work together, but we did not agree to issue agreed reports. Australia and New Zealand were at this meeting. The French have told us that according to their records we agreed that Australia and New Zealand would be full participants in this intelligence work. Our record on the meeting is not entirely clear. We shy away from it a bit because we are afraid that it might lead the French to request full participation for Vietnam. On balance, I think it is O.K. for Australia and New Zealand to be full participants. We are under some pressure to go along with this.

General Cabell: The French have raised the matter on the basis that they interpret the record as making possible the full participation by Australia and New Zealand. They have asked us whether we agree with this view.

General Bradley: Would that violate any governmental position?

Mr. Matthews: Offhand I don't think so.

General Bradley: Well, we are going to have a G-2 and G-3 meeting. I think we should have a consistent point of view.

Admiral Duncan: I think Australia and New Zealand should be full participants in the intelligence conference.

I raised the question of urgency because I thought it related to the question whether the British and French regard this paper as being a governmental approved paper.

Mr. Nitze: I think it is very important to get clear on what changes we want to make, etc. The British and French understand that the Working Party's paper was strictly *ad referendum.*

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[13] Philip W. Bonsal, Lacy's successor as Director of PSA.

Admiral Duncan: Is that understood by them?

Mr. Nitze: I am sure it is. I know that the British and French representatives both felt that they had exceeded their instructions.

Mr. Bonsal: Both the British and French know that the paper is under study in this government and that the Working Party's work was *ad referendum.*

Mr. Matthews: In other words, they do not think that our failure to comment means that we have approved it?

Mr. Bonsal: No, not at all.

General Bradley: Does anyone here have any objection to the full participation by Australia and New Zealand in this meeting?

Mr. Matthews: No.

[Here follows discussion of MEDO, Trieste, and Japan.]

Editorial Note

In a memorandum of his conversation held with President Truman July 21, Acheson wrote: "I told the President the approximate dates of the meeting in Honolulu and the matters to be taken up on the agenda." The remainder of the Secretary's memorandum concerns discussion of speech plans and travel arrangements. (790.5/7-2152)

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790 .5/7-2352: Telegram

The Chargé in Thailand (Brown) to the Department of State [1]

SECRET BANGKOK, July 23, 1952—1 p. m.

143. Fr Amb has made available to me substance of July 21 conversations between FonMin,[2] Premier [3] and Offroy dipl counselor at Saigon in course of latter's protocol calls. Both Wan and Phibun inquired re Letourneau's mtgs Wash and London re security SEA. Offroy replied in gen that three govts were giving serious consideration problem and start being made toward finding some solution in terms exchanges views, confs of experts, etc. to end that three govts might be better prepared in event trouble. FonMin and Premier both indicated their gratification such moves and that their only concern was efforts of three powers might at some stage appear provocative to Chi Commies. In this connection Premier and FonMin said Thai wld be willing participate if and when appropriate but at a low and inconspicuous level. They cld not for ex-

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[1] Repeated to London, Paris, and Saigon for information.

[2] Prince Wan Waithayakon Krommun Naradhip Bongsprabandh.

[3] Field Marshal Phibun Pibulsonggram.

ample make available heads of Army or Air Force for any combined discussions but it might be possible arrange for Thai "experts" take part. At present Thai's chief reliance, they added, must be on the UN. Fr Amb gathered subj was discussed in Cab during interval between Offroy talks with FonMin and Premier and he thinks that Premier's worries re provocation as stated in second mtg reflected some cautious reservations expressed by other Cab members.

Comment: Views of FonMin and Premier as expressed Offroy are consistent with Emb's present assessment position Thai leaders in face continuing Chi Commie threat. They hope for prompt UN action in defense of SEA but obviously must try keep from going too far without definite assurances. Naturally they wish be informed and if possible participate any moves affecting SEA.

BROWN

790.5/7-2452

Memorandum From the Australian Embassy to the Department of State [1]

SECRET

WASHINGTON, July 24, 1952.

Australian Document A1/7

AUSTRALIA-NEW ZEALAND-UNITED STATES PACIFIC SECURITY COUNCIL

FIRST MEETING HONOLULU AUGUST 1952

Relationship with NATO

In view of the fact that resistance to Communist expansion in the Pacific region is only one facet of the global campaign against Communist imperialism, with which all three parties have identified themselves, there might be advantages in working out the roles of the three Parties in joint security within the global context.

2. Apart from the United Nations, which is not well adapted to specific military planning for the maintenance of international peace and security, there is no universal organization which can define global strategy. The United States by virtue of its participation in other regional organizations is fully informed on planning in those regions. Australia, on the other hand, is not a member of

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[1] This memorandum is one of several attachments to the Embassy's note No. 399/52, presented to Foster by David W. McNicol, First Secretary of Embassy, on July 24.

such bodies as the North Atlantic Treaty Organization and has no right of access to information regarding NATO decisions.

3. It is therefore suggested that means should be found to enable Australia to receive information regarding NATO developments, particularly those which have a direct bearing upon Australian interests. Consideration might also be given to the best way to enable Australia, when NATO is dealing with matters affecting the interests of Australia, to express its views to NATO.

Conference files, lot 59 D 95, CF 115

Memorandum by the Assistant to the Director of the Executive Secretariat (Meloy) to the Deputy Director of the Office of British Commonwealth and Northern European Affairs (Foster)

SECRET [WASHINGTON,] July 28, 1952.

The Secretary in reading over his ANZUS Council book this weekend noted, in the last sentence of the first paragraph on page 18 of the historical background paper,[1] a statement that Sir Oliver Franks had been informed [2] that if as a result of talks with Australia and New Zealand it seemed desirable that the UK be brought in in some way as an observer or consultant with respect to the tripartite agreement, the United States would have no objection. The Secretary remembered his own recent discussion in London with Mr. Eden [3] in which he had thrown cold water on this idea and had pointed out that, while we would be willing to discuss the matter with Australia and New Zealand, there were many serious obstacles in the way of a UK observer. This conversation was reported in Secto 45 from London of June 28.[4] The Secretary has asked whether or not the difference in these two conversations indicates a change in our position and has inquired as to how this came about. He would like to know whether or not our position is firm at the moment and what it is.

Could you give him a brief memorandum on this subject which he might have before his 4:00 meeting.

FEM

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[1] Background paper prepared by the Division of Historical Research, "References in the Negotiation of the ANZUS Treaty to Broader Security Arrangements Affecting the Pacific Area", not printed. (Lot 59 D 95, CF 116)

[2] By Dean Rusk, then Assistant Secretary of State for Far Eastern Affairs, in his conversation held with Sir Oliver, Apr. 14, 1951. For partial text of a memorandum of this talk, see *Foreign Relations*, 1951, vol. VI, Part 1, p. 204.

[3] See extract from the summary minutes of the bipartite Foreign Ministers meeting held in London, June 28, p. 142.

[4] Not printed.

Conference files, lot 59 D 95, CF 115

Memorandum by the Deputy Director of the Office of British Commonwealth and Northern European Affairs (Foster) to the Secretary of State

SECRET [WASHINGTON,] July 28, 1952.

Subject: ANZUS Council Meeting: U.K. Observer Problem

Mr. Meloy has informed us that you noted in connection with the background section of the paper (D–3/1) on the U.K. observer problem [1] that there has apparently been a change in our position since April 1951 when "the British were told that if as a result of discussions with Australia and New Zealand it seemed desirable for the U.K. to participate in an observer or consultant capacity the U.S. would have no objection".[2]

Our position today is certainly a different one, but I believe the explanation lies in the fact that the statement to the British in April 1951 was made in a different context and without regard to considerations which have subsequently become apparent to us.

At the time the original statement was made to the British, we had been discussing with them various alternative arrangements, including a proposed pact which would include the Philippines as well as Australia and New Zealand. The British were opposed to this and it was partly their opposition which decided us to go for the ANZUS Treaty.

Since April 1951 it has become increasingly evident that the participation of the U.K. in the ANZUS Council in an observer or consultant capacity would open us to pressures from other countries of the western Pacific who would claim the same right to participation. As you know, there has been some excitement in Manila over the ANZUS Treaty. Again, on July 24 the Counselor of the Korean Embassy asked Mr. Johnson of FE whether Korea might be permitted to send an observer and whether any governments were sending observers to Honolulu.

Meanwhile the Department of Defense has registered its misgivings about the attendance of a U.K. observer. Whatever the merits of its position, Defense fears that the participation of the U.K. in the ANZUS Council would lead toward the sort of military involvements—Combined Chiefs of Staff and that sort of thing—which the JCS are so strongly opposed to.

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[1] HON D-3/1a of July 24, "U.K. Observer", not printed. (Lot 59 D 95, CF 119)

[2] The quotation is from HON D-3/1a. The historical background information in HON D-3/1a is in agreement with, but briefer than, that in the paper cited by Meloy in the memorandum *supra*.

It might be possible to persuade the JCS to withdraw their opposition to a U.K. observer but I believe it is generally felt in the Department that the other consideration (pressures from the Filipinos and others) is of itself sufficient to justify us in opposing the attendance of a U.K. observer, at least at this stage.

Editorial Note

In the course of a message to President Truman of July 30, Secretary Acheson commented as follows with regard to the forthcoming ANZUS Council meeting:

"I expect no problems which will require soul-searching at the ANZUS meeting and believe we should emerge with a satisfactory machinery for bringing Australia and New Zealand into closer relationship with us in planning the defense of the Pacific Area. We should be able to further clarify the aims of the three nations concerned and to arrive at a better understanding of the strategy and resources required to fulfill those aims. Despite the tendency of Australia and New Zealand to magnify the importance of the treaty at the first meeting, there will be no spectacular results and we are making every effort to guard against giving our other friends in the Pacific area any reason to suspect that this is a future NATO for the Pacific or that it is 'white man's treaty' or that we are making any private deal with Australia and New Zealand on matters of concern to other countries in that area. We will maintain that the spirit of the several Pacific security treaties to which we are a party is one of encouraging cooperation among all free nations of the Far East." (Message is an attachment to covering note from William J. McWilliams, Director of the Executive Secretariat, to William J. Hopkins, Executive Clerk at the White House, requesting transmission to the President, then in Independence, Missouri; 790.5/7–3052.)

Acheson's press conference statement of July 30 concerning the Council meeting, together with his remarks made before emplaning for Honolulu August 1, are printed in the Department of State *Bulletin*, August 11, 1952, page 219.

Conference files, lot 59 D 95, CF 116

Background Paper Prepared for ANZUS Council Meeting, by the Deputy Director of the Office of British Commonwealth and Northern European Affairs (Foster) [1]

SECRET [WASHINGTON,] July 30, 1952.
HON Special 4

AUSTRALIAN AND NEW ZEALAND POSITION TOWARD THE PROBLEM OF MACHINERY FOR MILITARY CONSULTATION

Based on conversations during the past six months with officers of the Australian and New Zealand Embassies, on the views of the New Zealand Government as communicated to the Department by Ambassador Munro in a memorandum of May 27, 1952,[2] and on the three Australian Government documents (Nos. A 1/8, A 1/9, A 1/10)[3] which were submitted to the Department on July 25, the Australian and New Zealand position towards the problem of machinery for military consultation under the ANZUS Treaty may be summarized as follows:

Australia and New Zealand Want to be Cut in on Planning at the Washington Level

1. Accepting the proposal of the JCS that "military representatives be accredited to the Council", Australia and New Zealand take the position that these representatives should be set up as a group in Washington and should have a direct relationship with the JCS. In the words of the New Zealand Government's memorandum "We had conceived the military committee as a standing body which would be concerned with general strategic problems arising in the Pacific area (which is broader than CINCPAC's command) and their implications for New Zealand and Australia. Some forum of the kind where we can discuss these broad issues is necessary, so enabling us to appreciate their relationship to global strategy and the possible effect on our commitments in other theaters." In the words of the Australian Government, "Australian and New Zealand representatives in Washington together with representatives of the U.S. JCS would be the Military Committee to provide general guidance to the Council on military matters." The Australians also maintain that "the approach to defense planning for the col-

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[1] File copy attached to a covering note of the same date by Christopher Van Hollen of the Executive Secretariat, who was Chairman of the Steering Group which assembled briefing materials for the Honolulu meeting.

[2] *Ante*, p. 98.

[3] Not printed. They are filed under cover of the Australian Embassy's note No. 401/52, July 25. (Lot 59 D 95, CF 115)

lective security of the democratic nations has been by regional arrangements and it is essential that planning for the defense of the ANZAM* region be related to Allied global strategy."

They Consider the JCS Formula Inadequate

2. Australia and New Zealand have found unsatisfactory the JCS proposal that the Military Representatives Group should be headed by CINCPAC and equivalent Australian and New Zealand representatives and located in the Pacific. You will recall Mr. Menzies saying that much as the Australians like Admiral Radford they wanted to be in on planning in Washington rather than hear from Admiral Radford after the event about decisions taken in Washington.

Machinery in World War II and now in the Commonwealth

3. The Australian documents put considerable emphasis upon the machinery for military consultation which existed among the Allies during World War II and upon the existing machinery for military consultation in the British Commonwealth. In each case the machinery, described at some length, may be summarized as follows:

a. *Wartime Machinery for Military Consultation.* Australia was represented on the Pacific War Councils in London and Washington and also in the U.K. War Cabinet. Australia and New Zealand had a "link" with the Combined Chiefs of Staff and the U.S. Chiefs of Staff through their Military Missions in Washington. (We understand that this "link" was largely titular and that the Department of Defense officers concerned with it were hard pressed, except in the case of the U.K., to find matters of consequence to discuss with these Missions.)

b. *Australian-New Zealand-U.K. Military Liaison Machinery.* According to the Australian documents (No. A 1/8) the U.K. and New Zealand maintain in Australia a Joint Staff Representative and staff accredited to the Australian Defense Department. The U.K. and New Zealand representatives are invited to attend meetings of the Australian Defense Committee and Chiefs of Staff Committee when matters affecting their countries are under consideration. The Representative is responsible to and instructed by his Government, High Commissioner or superior authority in such manner as his Government may prescribe. Similarly members of the staff of the Representative are invited to attend the meetings of the Joint Service machinery subordinate to the Australian Defense Committee and Chiefs of Staff Committee. Reciprocally the Australian Government has the right of similar representation on the same basis on the corresponding machinery of the U.K. and New Zealand. There is assigned to the Australian defense machinery, in conjunction with representatives of the U.K. and New Zealand, responsibility for planning for the defense of the ANZAM region which in war becomes the operational responsibility of the ANZAM Chiefs of Staff. ANZAM planning presently includes Australian home defense plans; regional defense plans, logistic and production plans, and related plans for other countries or responsibilites such as the defense of sea communications in New Zealand waters and the defense of Malaya, British Borneo and Fiji.

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*"ANZAM" means "Australia-New Zealand-and-Malaya" and the so-called ANZAM area embraces Australia, New Zealand, the East Indies (including Indonesia, Borneo, and New Guinea) and Malaya. [Footnote in the source text.]

Recommended Link Between ANZAM Planning and U.S. Planning

4. Having outlined the organization and work of the U.K.-Australia-New Zealand military liaison machinery, the Australians proposed (in document No. A 1/10) that ANZAM planning should be linked with U.S. planning. They propose that the ANZUS Military Representatives Group initially might draft basic conditions somewhat on the lines of the ANZAM enterprise to provide for the linking of planning for the defense of the ANZAM region with U.S. planning relating to areas contiguous to the ANZAM boundaries.

Already a Link between CINCPAC and ANZAM

5. The Australians point out that an initial step was taken in naval planning at the Radford-Collins conference at Honolulu in February-March 1951. (This conference, which is described in a separate U.S. paper, No. D-2/2,[4] was attended by New Zealand and U.K. representatives in addition to Admirals Radford and Collins,[5] Chief of Naval Staff, Australia, and made recommendations concerning the coordination of naval operational matters as between CINCPAC and the ANZAM authorities.)

Planning for Defense of Malaya also Needed

6. The Australians go on to propose (in document A 1/10) that in addition to the need for coordination between the naval authorities "the other major consideration is the defense of Malaya and its military importance to the ANZAM region."

Relate ANZAM to Global Strategy

7. The Australians argue (in document A 1/10) that the defense of the ANZAM region must be related to Allied global strategy, particularly in the Pacific, so that the planning of Australia's military role in both the cold and hot war can be determined as clearly as possible.

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[4] "The Radford-Collins Conference at Pearl Harbor, February 26-March 2, 1951", July 28, not printed. (Lot 59 D 95, CF 119)

[5] Rear Adm. Sir J. A. Collins, First Naval Member of the Naval Board of Australia.

ANZAM Chiefs of Staff

8. The Australians state (in document A 1/10) that "It is necessary to establish agreement on the status of the ANZAM region as a possible war theater in which planning would be conducted in peace and operations would be directed in war through subordinate commands by a Chiefs-of-Staff organization equivalent in status to U.S. and U.K. Chiefs of Staff and responsible directly to Allied authorites for higher direction in war."

Military Relationship with NATO

9. The Australians maintain (in document A 1/9) that "Since it will inevitably affect the pattern of global strategy and the allocation of forces and resources, it is desirable that Australia and New Zealand, with responsibilities outside the NATO area, should receive information regarding NATO developments which have a direct bearing upon their interests. Consideration might also be given to ways of enabling Australia and New Zealand, when NATO is dealing with matters affecting them, to express their views to NATO." The Australians consider that the ANZUS Military Representatives Group, in consultation with the higher defense machinery of the U.S., Australia, and New Zealand, should study the question of a possible military liaison with NATO to be established for Australia and New Zealand and should report thereon to the ANZUS Council.

Australian and New Zealand Participation in the Middle East Defense Organization

10. Finally, the Australians recall that their agreement to participate in the Middle East Command was dependent on their having an effective voice at both the political and strategic levels. The Australians mention that the U.K. has been consulting with them and the New Zealanders on the Middle East Defense Organization. They suggest that the question of representation (by which we take it they mean a possible link between ANZUS and the MEDO) might await the outcome of the proposed conference of participants in MEDO.[6]

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[6] HON Special 5a, "Analysis of Australian-New Zealand and United States Proposals for Military consultation", July 31, 1952, not printed, contains a tabular comparison of the proposals of the three powers on military consultation issues. (Lot 59 D 95, CF 115)

Conference files, lot 59 D 95, CF 119

Negotiating Paper Prepared for ANZUS Council Meeting, by the Special State-Defense Working Group [1]

TOP SECRET
HON D-2/1

[WASHINGTON,] July 30, 1952.

MACHINERY FOR MILITARY CONSULTATION IN REGARD TO ANZUS COUNCIL

(This paper approved by the Joint Chiefs of Staff, July 30, 1952) [2]

Problem:

To establish military machinery considered appropriate in implementation of the Australia, New Zealand and United States Treaty.

United States Objective:

To secure Australian and New Zealand agreement to the accreditation to the ANZUS Council of military representatives to act in an informal advisory capacity on a regional or area basis, as opposed to establishment of a formal military committee at Washington level.

Probable Positions of Australia and New Zealand:

Both Australia and New Zealand have expressed a desire to have a continuous arrangement preferably in Washington, D.C. to keep their respective governments informed in regard to general strategic problems affecting their vital interests. They feel that the strategic considerations of the Pacific are beyond the latitude and responsibilities of CINCPAC and can be resolved only on the broader planning levels of Washington by a permanent military committee. It therefore seems probable that they will resist the adoption of the arrangements suggested by the Joint Chiefs of Staff and communicated by Mr. Acheson in his notes to the Ambassadors of Australia and New Zealand on 13 May 1952[3] and will press for the formation of a permanent military committee in Washington. (JCS formula quoted below under "Discussion").

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[1] This paper is attached to a covering note of July 31 by Van Hollen. The senior State and Defense Department representatives on this Group were, respectively, Foster and Rear Adm. Harold P. Smith, Director of the Office of Foreign Military Affairs in the Office of the Secretary of Defense.

[2] On July 30 the JCS, in a memorandum signed by General Bradley, submitted to the Secretary of Defense a number of recommended changes in the previous draft (dated July 25) of the above paper. The changes centered around the substitution of the term "military representatives" for the words "military advisory group". For instance, the JCS suggested:

"A. Change the statement of the *United States Objective* to read as follows:

" 'To secure Australian and New Zealand agreement to the ~~formation of a military advisory group accredited~~ *accreditation* to the ANZUS Council *of military representatives to act in an informal advisory capacity* on a regional or area basis, as opposed to *establishment of a formal* military committee at Washington level.'

"*Reason:* To avoid the implication that the military advisers will be a formalized body. The use of the term 'group' in this paragraph and elsewhere in the paper would imply the establishment of a formal body." (JCS memorandum forms enclosure to letter of July 31 from Deputy Secretary of Defense Foster to Secretary Acheson, not printed; 790.5/7-3152)

Most of the recommendations of the JCS are incorporated in the paper printed here.

Position to be Presented:

a. To propose that:

1. One Military Representative from each of the governments signatory to the ANZUS Treaty should be accredited to the ANZUS Council.

(a) The Military Representatives will:

(1) Advise the Council on problems of military cooperation which may arise in connection with the application of the ANZUS Treaty.

(2) Consider and make recommendations to their respective chiefs of staff on the measures which might be taken to increase mutual assistance and self-help, looking to the improvement of the defense of Australia and New Zealand and their territories as related to the over-all strategic defense of the Pacific; and

(3) Furnish to the Council those recommendations which have received approval of their respective chiefs of staff.

(b) The Military Representatives will meet periodically, as required and shall rotate the seat of the meetings between Pearl Harbor, Melbourne and Wellington. When so requested by the Council, they would meet in Washington, Canberra, or Wellington in conjunction with regular annual Council meetings.

(c) The Military Representatives will draw up their own rules of procedure.

2. CINCPAC, or an alternate designated by him will be accredited to the Council as the U.S. Military Representative.

3. In order to provide the necessary exchange of information and to provide for continuity of effort among the three representatives, each government may assign to the offices of the Military Representatives of the other, not more than two liaison officers of a rank no higher than field grade.

4. If liaison is desired by Australia and New Zealand during the intervals when the Council or the Military Representatives are not in session or other than at a periodically agreed meeting, this will be accomplished through existing channels.

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[3] See the editorial note, p. 86.

5. The Pacific Command is the major U.S. theater command most directly concerned with this area. Theater operations are planned and conducted by the theater commander who receives only his mission and allocation of forces from the Joint Chiefs of Staff.

6. On any matter referred to the Military Representatives which does not fall within the scope of CINCPAC's authority and instructions, the U.S. Military Representative would request guidance from the Joint Chiefs of Staff.

7. Existing agencies and military channels, which as far as we are concerned have proven very satisfactory, should be utilized to the fullest extent practicable in implementation of the ANZUS Treaty. These agencies and channels include:

(a) The *Embassies* of the three governments;

(b) The Australian and New Zealand *Joint Services Missions* in Washington (the successors of their wartime special military missions to the U.S.);

(c) The *ANZAM-CINCPAC relationship* (continuing consultation between the Australian and New Zealand naval authorities and CINCPAC with regard to certain naval operational matters);

(d) *Exchange of intelligence* through existing agencies;

(e) International Meetings such as the *Ad Hoc* Committee of January 1952 in Washington which discussed the defense of Southeast Asia, in which meeting Australia and New Zealand were represented.*

DISCUSSION

a. The arrangements proposed by the JCS as communicated in your identical notes of May 13, 1952, to the Australian and New Zealand Ambassadors were as follows:

"The Government of the United States suggests that in support of the Council military representatives be accredited to the Council to meet periodically as required at Pearl Harbor or to rotate between Pearl Harbor, Australia and New Zealand, if that seems preferable. The Commander in Chief of the Pacific Fleet, or an alternate designated by him, would be the American representative. In addition, in order to assure proper liaison, one or two Australian and New Zealand officers of field grade rank might be accredited to Pearl Harbor in a liaison capacity on a regular or an intermittent basis as developments may indicate."

b. It is believed that military collaboration and coordination in full consonance with the obligations of the Security Pact and military realities may be readily effected at the Service level through existing agencies and the proposed arrangements for Military Representatives and Liaison. CINCPAC's area of responsibility from a

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*The Australian and New Zealand Governments *do not yet know it* but they will be invited to the forthcoming Tripartite Intelligence Conference on Southeast Asia and to the military and political-military conferences which are being held to discuss the defense of Southeast Asia. [Footnote in the source text.]

U.S. view overlaps that of Australia and New Zealand insofar as the Defense of the South Pacific is concerned. It therefore seems logical that such military collaboration as is considered necessary should be appropriately conducted at this level.

c. Overall aspects of regional strategy must be dealt with on a wider basis and higher level than a regional relationship such as ANZUS Council. The Military Representatives accredited to the Council should focus their attention on the defensive aspects of the region concerned. It is considered that the military representatives could provide their respective chiefs of staff with important information and recommendations which would contribute materially to the development of sound overall strategy.

d. The ratification and support of the ANZUS Treaty by the U.S. is indicative of the importance the United States attaches to the subject area. However, it must be acknowledged that due to the global remoteness of the area, it is highly unlikely that either New Zealand or Australia will bear the brunt of initial enemy strikes. Consequently, the defense of Australia and New Zealand is more properly related to the successful defense of Southeast Asia with which CINCPAC is vitally concerned. It is believed that such support and coordination of military effort should point to the successful achievement of the terms of NSC 124/2,[4] paragraphs 7d and e being particularly applicable.

e. In this connection there is currently under consideration in connection with the implementation of NSC 124/2 the holding of a military and subsequently a political-military conference of representatives from United States, Great Britain, France, Australia and New Zealand to discuss the defense of Southeast Asia in the event of Chinese Communist aggression in that area. Overall Pacific strategy will in all probability be influenced by the agreements and recommendations of these conferees. The defensive arrangements and coordination of regional areas must of necessity be subordinate to the requirements of the overall area and should be readily determined by the commanders concerned.

f. In the present and previous Tripartite Intelligence Conferences [5] on Southeast Asia, the U.S. delegation was headed by a representative from the Pacific Command and was responsible to CINCPAC. Since the Pacific Command is the major U.S. theater command most directly concerned with this area, the Joint Chiefs of Staff have designated CINCPAC as the agency responsible for any conferences which affect that area. It has recently been approved that Australia and New Zealand will be full participating members of this conference.

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[4] Dated June 25, p. 125.

[5] The Third Tripartite Intelligence Conference was held at Saigon, June 26–28.

g. Preliminary New Zealand views on the organization, functions and location of the ANZUS Council held that as a minimum the Council should provide effective means for exchange of views on political and strategic developments in the area and for cooperation at the Service level on joint defense planning. Ambassador Spender of Australia considered that the problems of the Council would include: logistics support of Australia and New Zealand forces in war and contribution from Australian production; free flow of information; responsibility for planning under Australian-New Zealand sector; division of responsibility for collecting and collating intelligence data in the Pacific and adjoining territories; selection and preparation of bases; interchange of personnel; security of Australia in global war; coordination of Pacific planning with global planning; form of military machinery for cooperation.

h. It is believed that such consideration of the military aspects of the problems mentioned above as may be practicable are within CINCPAC's area of responsibilities as contained in the Unified Command Plan. Final decision regarding matters of considerable strategic significance must, of course, be made at higher level.

790.5/7-3152

Memorandum by Fred W. Jandrey, Special Assistant to the Ambassador at Large (Jessup), to the NATO Adviser in the Office of European Regional Affairs (Adair)

SECRET [WASHINGTON,] July 31, 1952.

Yesterday in the Secretary's meeting we took up the line to be followed with respect to ANZUS-NATO relationships. The following comments were made:

1. The Secretary pointed out an inconsistency in point B of the objective and point 11 under "Discussion".[1] Presumably we should should reconcile this inconsistency.

2. The Secretary then went on to discuss the Australian position as presented in Australian document A-1/7.[2] With respect to the first paragraph he said that it was illogical that there was no advantage to us in working out the U.S. role in "joint security within the global context". He said that our role was forced upon us, and that it now existed independent of what anyone else thought. Moreover, where the role of Australia is involved we have talked

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[1] Apparent reference to HON D-3b, a negotiating paper entitled "Possible Relationship Between ANZUS and the North Atlantic Treaty Organization", not printed. (Conference files, lot 59 D 95, CF 119)

[2] Dated July 24, p. 157.

and intend to talk frankly to them. He cited MEDO and ANZUS. (In connection with ANZUS it seems to me that the *ad hoc* committee deliberations and report in January 1952 represent a considerable degree of consultation and it is our intention to include Australia in forthcoming talks on the defense of Southeast Asia.) The Secretary pointed out that the real place where the Australian point concerning consultation comes up is in MEDO and Australia will there be able to raise that point.

3. In the second paragraph the Secretary underlined the Australian admission that there exists no universal organization which can define global strategy.

4. With respect to paragraph 3, the Secretary said that the Australian attitude was founded on two points: (a) a misconception of what goes on in NATO (Mr. Jessup suggested that it might be a good idea to explain what really does go on there in general terms), and (b) a pushy attitude of Australia in world affairs.

5. Mr. Jessup suggested that the real answer to the Australian point of view might be to tell the ANZUS Council that we and the British would be quite prepared to make known to NATO the Australian brief and that the Secretary might ask just what it is that Australia wants NATO to know. He further suggested that we might say to the Australians and New Zealanders that we would be glad to say to Ismay [3] that Australia had raised the question of relationship to NATO and has asked us to present the Australian point of view.

FRED W. JANDREY

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[3] Lord Ismay, Secretary General of NATO.

Conference files, lot 59 D 95, CF 116

Memorandum of Conversation, by the Assistant Chief of the Policy Reports Staff (Kitchen)

TOP SECRET

KANEOHE, T.H., August 4, 1952.

Participants: Secretary Acheson
Foreign Minister Casey of Australia

During his call on Secretary Acheson Sunday evening,[1] Foreign Minister Casey asked the Secretary what he wanted done at this conference. The Secretary said he thought it was a matter of discussing problems which we face throughout the world. These issues needed to be thoroughly discussed and considered and it was highly desirable that this ANZUS meeting *not* get bogged down on problems of organization and liaison arrangements. If the Australians wanted real contact with the American Government and its thinking on world problems, it was highly desirable that they keep in touch with the Department of State and not continue to attempt to establish themselves in liaison with the Pentagon. The Secretary said that officers of the rank that would be in touch with most ANZUS liaison officers were not the ones who had much to do with making policy. With particular regard to Pacific defense and its problems, the real planning was being done by Admiral Radford and his staff here in Hawaii, and that if the Australians and New Zealanders really wanted contact with the military planning operation, this was the place for it. Planning on other matters was really done by the State Department, and the Australians and New Zealanders should stick with their present contacts with the Department.

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[1] Aug. 3.

The Secretary said his instructions were absolute and there was no possibility of any change in them during the course of the present conference. It simply was not possible for them to expect any greater access to the Pentagon. If the ANZUS meeting got through the organizational steps in good order, the Secretary would present a total picture that would give them plenty to think about and work on. The Secretary said that he realized that many Australians and New Zealanders had the impression that the Pentagon was the center of global thought as far as the United States was concerned, but that this simply was not so. He hoped that this was understood and that the present conference could be cleaned up in a hurry.

Mr. Casey said that he was under considerable pressure from the British to have them brought into ANZUS planning. He said that Mr. Eden feels very deeply on this question and has pressed Casey to push the British case. The Secretary said he felt that this was completely impossible. Casey said that in this case he did not believe it was right for Australia and New Zealand to allow the blame to be placed on the Secretary. He said that he would have to carry Webb [2] with him and that all three must carry the burden of being held responsible for the exclusion of the British. He considered that it would be disloyal of them to do otherwise. The Secretary said that he appreciated their consideration, but he was perfectly willing to take the responsibility.

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[2] T. Clifton Webb, Foreign Minister of New Zealand.

Conference files, lot 59 D 95, CF 116

United States Minutes of the First Meeting, ANZUS Council: First Session [1]

TOP SECRET KANEOHE, T.H., August 4, 1952—10 a.m.

HON MIN-1

[Here follow a list of persons present (33), a description of the public opening ceremonies, and an account of procedural arrangements made in closed session. The text of Acheson's remarks made during the public ceremonies is printed in Department of State *Bulletin*, August 18, 1952, page 243.

[Richard Casey, Minister of External Affairs and External Territories, headed the Australian Delegation whose principal members were Spender, McNicol, Sir Frederick Shedden, (permanent) Secretary of the Department of Defence, Alan Watt, (permanent) Secretary of the Department of External Affairs, and Laurence McIntyre, an Assistant Secretary in the Department of External Affairs.

[The New Zealand Delegation, led by Webb, included also Munro, Laking, and Foss Shanahan, Deputy Secretary of External Affairs in the Prime Minister's Department.

[Acheson led the U.S. Delegation whose principal members were Admiral Radford and Jessup, Perkins, and Allison.]

D. *Usage of Term "ANZUS"*

The Secretary suggested that the treaty and the Council needed a name for convenient reference and ready identification. He recalled that the use of the term "Pacific" was considered undesirable because some of the countries of the Pacific area, vitally interested in its security, were not included in the ANZUS arrangement and because use of the word "Pacific" might be misconstrued in countries such as the Philippines and Japan. There was agreement that the term "ANZUS" should be used.

4. Organization of the Council

The Council then proceeded to agenda Item B, "Organization of the Council".

A. *Political Machinery.*

Under this heading consideration was first given to Item B-1 "Continuing Political Machinery and Initial Tasks".

The Secretary summarized the U.S. understanding of the Australian and New Zealand proposals [2] for a continuing political organization, stating that we found them sensible. He said that the annual meeting should be attended by the three ministers themselves and that the place of meeting should be determined on the principle of rotation. He explained the heavy burden which would rest on his successor in view of the numerous meetings throughout the year which the Secretary of State normally attends, mentioning the UN, NATO and OAS.

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[1] These minutes and minutes of succeeding sessions of the meeting were circulated Sept. 3.

[2] The proposals of New Zealand form part of the memorandum presented by Ambassador Munro on May 27, p. 98. The Australian proposals are contained in Australian Document A1/6, one of several attachments to Australian Embassy note No. 399/52 of July 24. (790.5/7-2452)

Mr. Webb suggested that the annual council meeting be held usually in Washington. The Secretary stated that the annual meeting should be held one year in Australia or New Zealand and the following year in Washington. He said that the principle of rotation should be followed as a general rule but that there might be occasions when the three countries would want to depart from it. He said that it was important to meet special situations. Mr. Spender agreed that although there should normally be one annual meeting of the Council, provision should be made for more than one meeting under special circumstances. The Secretary agreed with this.

Mr. Casey asked whether the deputy selected by the Secretary to attend meetings other than those attended by the Secretary himself would always be the same individual. The Secretary stated that his deputy would be the Under Secretary of State. He said he assumed there was no intention to avoid using the channels and staff already directly involved with problems of mutual interest and that he expected these channels would also be used for the usual business conducted with Australia and New Zealand. This point was accepted by the Australian and New Zealand delegations.

(For the purpose of reaching common agreement on the political organization, Mr. Foster [3] extracted from the negotiating paper [4] on this subject, that part outlining our understanding of the Australian and New Zealand suggestions. The contents of this paper were cleared by Mr. Foster through Mr. McIntyre for Australia and Mr. Laking for New Zealand and were incorporated in final form in the "Agreed Record of Proceedings".) (See ANZUS 1/7 [HON D-7 page 5]) [5]

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[3] Of BNA.

[4] HON D-2c, "Political Organization under the ANZUS Treaty", Aug. 3. (Lot 59 D 95, CF 115)

[5] Brackets in the source text. ANZUS 1/7 and HON D-7 are the same document dated Aug. 11. The pertinent section reads:

"The Council agreed that there should be regular annual meetings, attended by the three Ministers themselves.

"The Council considered that in principle these meetings should be held in rotation: one year in the United States and the alternate year in Australia or New Zea-

Continued

The Secretary then outlined briefly his concept of the functions of the council, stating that it would doubtless wish to give continuing consideration to the political and strategic situation in the Pacific area and that he welcomed the opportunity, as the deliberations of the council proceeded, to give a frank and full exposition of U.S. thinking on a wide range of international situations of mutual concern. He also stated that the Council would consider possible relationships with other states and regional organizations as mentioned in Article VIII of the treaty. In this connection there would be a discussion of two particular aspects of this problem—one having to do with the matter of a UK observer and the other with the possible relationship between the Council and NATO. Mr. Casey expressed his satisfaction with the Secretary's statement, indicating that it would be very helpful were he to take the Australian and New Zealand delegations fully into his confidence.

Mr. Spender mentioned, with reference to Article VIII of the Treaty, that he assumed in an emergency such vital questions as logistics and supply might be discussed. He thought that no limitations should be placed on the competence of the Council to discuss any matter of mutual concern. The Secretary agreed that as we were friends and allies we would want to discuss the kind of matters to which Mr. Spender referred.

The Secretary suggested that the first session of the Council be adjourned until 3 p.m.

B. *Military Machinery.*

Mr. Webb said that the New Zealand delegation had prepared a paper on military organization which it desired to circulate (see ANZUS 1/7 [HON D-7]).[6] Mr. Casey suggested that there might be

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land. The Council did not intend, however, that this principle should be applied inflexibly. It recognized that in some years circumstances may make it desirable to depart from the principle. It agreed that the place and date of the annual meeting should be determined each year with all these considerations in mind.

"The Council agreed that special meetings of the Council, normally attended by the Deputies, will be held in Washington as required.

"The Council agreed that each Deputy will hold the presidency of the special meetings in rotation for a year.

"The Council decided that appropriate officers of the Australian and New Zealand Embassies in Washington and of the Department of State should be designated to constitute the Council's secretariat.

"The Council considered that existing channels and agencies should be used to the fullest extent possible. It did not conceive that these channels and agencies would be superseded but rather that the Council would provide a focus where they may be utilized in the implementation of the Treaty.

"The Ministers agreed to announce that they have designated as their respective Deputies: for Australia, the Australian Ambassador to the United States; for New Zealand, the New Zealand Ambassador to the United States; and for the United States, the Under Secretary of State." (Lot 59 D 95, CF 119)

[6] Annex I to the document cited in footnote 5 above. Brackets in the source text.

some discussion of the military organization problem before adjournment. Mr. Spender expressed the opinion that after the meeting was reconvened it should keep to the agenda. Mr. Webb stated his belief that it was too early to adjourn the morning session. The Secretary indicated that he preferred not to get into the question of military machinery until the afternoon session. Mr. Casey asked if there were any objection to his outlining Australia's thoughts with respect to military organization. The Secretary said he would be glad to hear Mr. Casey's exposition of this matter.

Mr. Casey said that existing military channels should be used as far as possible. He stated, however, that there must be planning on the military side and that this could only be done where there are planners and thinkers. Australia understood that this planning and thinking took place chiefly in the Pentagon although some of it was decentralized. When Australia talked of the ANZUS military committee it had in mind having a senior Australian military man at Washington attached to its Embassy. He supposed that the U.S. would designate an experienced person as its representative on the military committee in Washington. Similarly there would be a U.S. representative at both Melbourne and Wellington. He foresaw the necessity of having the military problem split up and the component parts allocated in accordance with some prearranged plan to the committees at Washington, Melbourne and Wellington. As the thinking would be done in the three committees, they would have to meet frequently to discuss the problems allocated to them. This would give Australia access directly to the thinking of the Pentagon. Australia would of course welcome having such parts of the military problem as might be agreed allocated to Honolulu. The senior committee, however, would be the one located in Washington.

Mr. Webb said that New Zealand supported those proposals and could add little to what Mr. Casey had said. He was anxious that New Zealand should know at all times what is going on. He did not know whether this was the best way to go about it but he did desire a common form so that what was going on in other parts of the world would be known to New Zealand.

Mr. Spender declared that Australia should have entry into U.S. planning at the central level. While admitting that Australian military officers already received substantial assistance, he said they had no access to planning. He presumed that at Honolulu the operational side would receive consideration. He said that it was equally desirable to have a representative of the U.S. forces sit in on planning in Australia.

Sir Frederick Shedden said that Australia did not know where it was going in ANZAM. It wanted access to global planning. Australia regarded the Pacific as important but did not know the American mind regarding Pacific defense. Australia therefore did not know whether it should send troops to the Middle East or keep them in the ANZAM area. This problem had become particularly obvious during the past year. As an example of the dilemma which Australia faces, Sir Frederick mentioned that prior to the last war the British fleet had agreed to hold Singapore. However, Singapore had fallen and this left Australia in a fix. It was essential for Australia to know when it would deploy its forces. Desert warfare was different from jungle warfare. The UK suggestion that Australia's policy should be to keep from getting "bogged down" anywhere was not satisfactory. Australia would like to know to whom it should look and what the relationship should be between ANZAM planning and U.S. planning. Australia wanted to know about the planning going on in London and Washington. Australia was confronted with a further problem: it was impossible to plan for the hot war without knowing what role Australia should play in the cold war. Broadly speaking Australia desired to set up a combined chiefs of staff as it had found liaison machinery inadequate.

Mr. Casey supported Sir Frederick's remarks, stating that Australia had not made a definite commitment to send its forces to the Middle East nor had it been able to determine where those forces should go in an emergency. However, Australian public opinion would not tolerate sending troops to the Middle East should an emergency arise in Southeast Asia. This area was close to Australia, a fact to which public opinion was very much alive. Australia found it very difficult to deal with the problem of allocation of forces to the Middle East. He said that Australia felt "the hot breath" of Asia on its back, far more so than New Zealand.

Mr. Munro said that the fact that commitments were being made which affected New Zealand made it necessary that New Zealand share in planning. It could not accept being faced with a *fait accompli.*

The Secretary said that he would take up the question of the military organization in the afternoon session but wished to make a few general observations. Many questions were raised by the Australian and New Zealand delegations such as a *fait accompli* arising from decisions of one party affecting the other and whether or not Australia should go to the Middle East and Southeast Asia. He said we must realize that there were two dangers: first, the possibility of a global war, second and just as important, local situations with which we might not be able to cope. We must either meet these local situations or face a global war. This raised questions beyond the military field. There has been a tendency to believe that only through military consultation can we learn what is going on. However, there was a vast area for political agreement and this was an area in which we could frankly express our views. He said that he would talk about this later. Then with respect to the possibility of total war, i.e., war with the Soviet Union, broadly speaking it was fairly obvious that when war with the Soviet began the first objective would be to strike at their jugular. Developments would take place in many major fields at the same time. What these developments would be was hard to say. However they could include:

1. An attack on the United States.
2. An attack in Europe, plans against which are being made by SHAPE.
3. An attack on the Middle East—our present efforts there have been directed toward bringing about an organization of seven powers to develop a position of strength in an area which was particularly weak. We were trying to create something out of the indigenous resources. Effective consultation would have to be worked out. Australia and New Zealand would be in the center of whatever plans were made.
4. An attack in the Far East—there plans were made by CINCPAC. So far as knowledge of the Pacific area was concerned there was no better place to get it than through Admiral Radford, whose recommendations affect thinking back in Washington. But more fundamental, we were urging meetings of Australia, New Zealand, France, the UK and the United States to consider the defense of Southeast Asia. If the committee considering this matter were to come together with divergent political views, it could not succeed; therefore we wanted to draw up premises so that when the discussions took place military estimates could be based on these premises. There Australia and New Zealand would be very much in the heart of planning.

The real answer was to get the Middle East and Southeast Asian planning under way. But the premises must be agreed to so that the military could give its advice. Real military planning for the Pacific was done by Admiral Radford with whom Australia and New Zealand must work.

Mr. Spender said that although in the SEA *Ad Hoc* Committee discussions there was an overlapping of political and military factors, nonetheless the questions were xery largely political. It was not necessary that the governments agree on premises; before that, one must have from a military point of view an indication of what could be done under certain circumstances. One must make certain what could be done in the event of a global war. The question of a global war, however, raised a considerable problem. As local operations might merge into a global war, Australia must know in general what would happen in the Pacific. Mr. Spender agreed generally with what the Secretary had in mind but wanted to know what would happen in the Pacific were all the resources in the world mobilized to strike back at Russia.

The Secretary stated that the question of military machinery would be discussed in the afternoon session. He presented to the Council a suggested statement for the guidance of the officers briefing the press. A copy of the agreed text of this statement appears in ANZUS 1/7 (HON D-7).[7]

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[7] Annex C to the document cited in footnote 5 above.

Conference files, lot 59 D 95, CF 116

United States Minutes of the First Meeting, ANZUS Council: Second Session

TOP SECRET KANEOHE, T.H., August 4, 1952—3 p.m.

HON MIN-2

[Here follows a list of persons present (30).]

Organization of the Council

Continuing Military Machinery

Mr. Casey suggested that the discussion of military machinery be deferred until after the Council had considered Item D on the Agenda, "Survey of Situations Affecting Security in the Pacific". This survey would have a direct bearing on the decision reached with respect to military machinery. Mr. Webb supported Mr. Casey's suggestion.

Relationship with Other States, Regional Organizations, etc.

A. *UK Observer*

The Secretary then referred to Item C on the Agenda, "Relationship with Other States and National Organizations—UK Observer".

Mr. Casey said that the UK was anxious to have an observer attend the ANZUS Council meetings. Mr. Webb concurred with Mr. Casey, stating that this situation was awkward for New Zealand. He said the UK felt that as a Pacific power, it should not be left out of an arrangement in which two other members of the Commonwealth were taking part. He asked that every effort be made to bring the UK in by some means. He added that it was the hope of the UK to be admitted to the Council in a more intimate way than merely by being informed of the character of its deliberations. New Zealand, however, was cognizant of the US as well as the UK viewpoint.

The Secretary said that this was a very difficult and embarrassing question and the only way to treat it was with complete frankness. He had discussed this matter on five occasions: with the British Ambassador at Washington, with Mr. Menzies on his first visit to Washington early this year, with Mr. Munro, with Mr. Eden during the London talks and with Mr. Menzies on his return to Australia in June. The British Ambassador had mentioned two reasons why it was essential for the UK to be associated with the ANZUS Council:

1. There was a strong feeling among the British people and in Parliament on this issue and it would not be understood if the UK was not included.
2. The UK definitely wished to be associated with our thinking.

With respect to the second point, The Secretary said it was inconceivable to him that the ANZUS Council would decide anything that would take the UK by surprise. They already knew our plans through close collaboration in Korea, the Middle East and NATO. However, the Ambassador's first point he understood very well and it was embarrassing. The UK Government had to take into account the will of the British people and Parliament and therefore needed both publicity and the widest possible association of the UK with ANZUS Council. The Secretary recalled that our first idea was to include the Philippine Islands and Japan in the treaty arrangements for security in the Pacific area. When this idea was found to be repugnant to the UK, we worked out three treaties. Were the UK now brought in, we would have difficulty with other countries also wanting an ANZUS link—with the French, for example—and we would soon have a group of colonial powers dealing with Asian problems. If we agreed to admit France and the UK, we would also have to include Japan and the Philippines. Therefore we should try to find a way of associating ourselves with the UK without bringing them into the actual machinery. This of course would not take care of the domestic political problem in the UK. The way out might be to refrain from deciding the problem and to leave it in suspense, meanwhile informing the UK fully as to what went on. It was pertinent that the Koreans and Filipinos had already asked that they be permitted to send observers to the Council. The Secretary expressed the strong hope that we might find a polite way out of the dilemma and still achieve the desired results.

Mr. Casey stated that this must be the eventual outcome but the difficulty was to devise words to explain our position. The Secretary felt we might find a formula in the reaffirmation of our interest in the free people of Asia. Mr. Casey asked if we could bring in the UK when their interests were involved. Mr. Webb stated that the French would say that no matter was of concern to Britain and not also of concern to France. The Secretary pointed out that we could not deny the interest of France, which had one-third of its army in Indo-China. Mr. Casey said that we could not get out of the problem without saying something. He felt sure the staffs could frame words which would be satisfactory. Ambassador Spender suggested that the wording be tied to the general problem as stated in the treaty. He further suggested admitting that there was a difficulty. As the press had got on to this question, they would demand an answer. Mr. Webb said that it was a French journalist who at the Honolulu Airport had asked if participation of other interested states in ANZUS was being considered at the official level. Ambassador Munro suggested that the matter be referred to a drafting group. Mr. Webb said that he would be asked in his country what we did to get Britain in. Ambassador Spender said that if the question turned on the admission of the UK it would be wiser to make a statement in terms of the general subject matter of the treaty, wrapping it all up in a phrase explaining the difficulty in moving too rapidly in extending relationships. However, he saw no reason to mention Great Britain specifically. Mr. Webb suggested an indication that for the time being there was no thought of enlarging the Council. If we were asked about Great Britain specifically and we said it had not been included, it would be worse than if we had said nothing at all. Mr. Casey suggested working along the line that there would be no accretions at the present time.

The Secretary suggested that the matter be left to the drafting group and urged that we not separate in two parts something which should be handled in one. He said there were many things that should be done and will be done but not yet, so far as ANZUS was concerned. Some of these things had already been done but we had to keep in close touch with the situation in the future. For example, there was already a clear link with the US and New Zealand and Australia on the one hand and with the US and the Philippines and the US and Japan on the other. It should be made clear to the UK privately by all of us that we were not keeping back any secrets.

Mr. Webb again suggested that we might say we could not at this early stage think of enlarging the membership of ANZUS.

B. *Possible Relationship with NATO*

The Secretary then raised for consideration Item C(2) on the Agenda, "Possible Relationship with NATO".

Mr. Casey said that this question was linked to that of the proposed military machinery for the Council. He said that Australia had no great concern about the NATO but that as NATO became stronger and more all-embracing, it might prove to be disadvantageous for Australia not to be associated with it. However, he suggested that this matter be deferred until after the Secretary had completed the survey and that it then be taken up with the problem of military organization.

Survey of Situations Affecting Security in the Pacific

The Secretary said he would be glad to plunge into the general discussion and asked that he be interrupted whenever a question occurred to the New Zealand and Australian Ministers. (In the discussion the Secretary followed in general the outline contained in HON Special 7.)[1]

The Soviet Union and the Nature of Communism

The Secretary said that the free world was threatened by a process of disintegration. We could deal with Soviet aggression, which was a factor in bringing about the disintegration, if the world were in a healthy state and if there were not in many areas the most virulent nationalism and xenophobia. We could deal with the weaknesses of Europe, Asia and South Africa if these regions were not always under the threat of the USSR, which seized on these weaknesses. As an example of the two forces, i.e., nationalism and xenophobia, he cited the case of Iran. If Iran were Guatemala, the problem would not be difficult. Our capacity, however, to deal with Iran was conditioned by its geographical location bordering on the USSR.

Another development since World War I has been the severe shock dealt to the balance-of-power concept. First the Austro-Hungarian Empire was destroyed as a result of tying into the settlement after World War I the principle of self-determination. With it went not only the destruction of a military power but of an important economic and social unit as well. Subsequently the Italian Empire had disappeared, France had been weakened, and the power of Germany and Japan spent. As a result the forces containing Soviet power had been removed. Meanwhile, however, the Russian Empire had lost its non-dynamic character. It had become a combination of the old Russian state and the conspiracy that brought the Communists to power. The Kremlin injected into foreign affairs a dynamic doctrine which had led others to become the tools of Communist Russia's foreign policy. This doctrine was the instrument of the Russian foreign office and it had very great power. Soviet Russia regarded the world in terms of concentric circles. First there was Soviet Russia itself as the center of Russian power and world revolution. There was a certain aspect of fraud in the idea of world revolution as it was a convenient method of causing trouble. Next there were the satellites, which provided protection to the center and were extendable when situations of weakness made this possible. Finally there was in other countries the Communist Party, which constituted a sort of submarine warfare.

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[1] "Outline for General Survey of World Situations Affecting Security in the Pacific", July 30, 1952. (Lot 59 D 95, CF 116)

The Secretary said that we must know something of the Communist system and the Communist state. It was a very great autocratic military power. It was controlled by a few people. Therefore the ideas in the heads of these few people were important. The main idea in their heads was the danger to the regime. They were unappeasably opposed to the rest of the world and no approach would diminish their hostility. The current anti-American campaign was a disturbing manifestation of this hostility as it indicated that Soviet leaders had decided two things:

1. There was no use continuing to pretend that it was possible to be friendly with the Western Powers.
2. They were prepared to burn all their bridges and leave no room for retreat.

The latter point was new, since now the high command could not disavow its policy. To understand this one had to understand the Soviet concept of world revolution and the hierarchy of values in the USSR. Although the people might be bothered by the necessity for reconciling the idea of the Communist state and of world revolution, this had not been true of the leaders of the USSR. The whole conduct of these leaders had shown that they were never inhibited by the character of the Communist revolution. They had been prepared to overthrow their doctrine at any time. This was demonstrated by the fact that the Politburo had constantly left fellow Communists in other countries out on a limb. The best example of this was the Soviet attitude toward Hitler and the deal made with him. The explanation lay in the fact that Stalin saw no conflict in Communist doctrine and the Soviet Union but the Soviet Union came first. That idea had been accepted by those who had been often betrayed. This all meant that Stalin and the Soviet leaders were primarily interested in the preservation of the regime and that they were ruthless and pragmatic.

The above analysis leads to certain general conclusions: Soviet Russia would approach a general war with caution as it would involve a serious threat to the regime if the regime did not succeed in winning quickly. But in this there was no comfort. Soviet Russia would want to have large odds before engaging in a general war. If the risk were small, however, the Soviet would not hesitate. Moreover, under certain other circumstances they might precipitate a general war. If, for example, they believed they had reached the point of being immune from attack, they might occupy areas which would weigh the scales against the West.

The Secretary mentioned two common misconceptions concerning our policy toward Soviet Russia. First, many people believed that if Churchill, Truman and Stalin would sit down together they could work things out. That was not true. There could be no *modus vivendi* until it was to the advantage of the USSR. The best we could do was so to arrange things as to live along until the balance was in our favor. The second misconception related to the meaning of *containment*. Many people thought that we were trying to hold a ring around Soviet Russia. In fact, we were endeavoring to see to it that freedom of choice rested with us, not with the Kremlin.

What the US Has Tried to Do.

This brought us to what we were trying to do:

1. Redress the imbalance of military power between East and West which had precluded our having a choice.
2. Work in the field of economics so that our friends—particularly in Europe—might trade their standard of living for a better one. In this way they would be able to increase their economic and military strength and not succumb to the feeling that they might not be worse off under Communism.
3. Work in more primitive countries. This involved the development of their resources and the education of their people in order to make them friendly. This policy, which began in Latin America, had been extended to the Near East and South Asia.

[Here follow the Secretary's remarks on and a general discussion of the situation in several countries and territories of Europe, the Middle East, and North Africa.]

Editorial Note

The United States Minutes of the Third and Fourth Sessions of the First Meeting of the ANZUS Council are not printed. (Conference files, lot 59 D 95, CF 116)

In the Third Session, which met at 10 a. m. on August 5, the three Foreign Ministers and their aides reviewed the situation in the Middle East and South Asia.

The Fourth Session met at 3 p. m. the same day. Admiral Radford briefed the Council on the military situation in Korea and gave an appreciation of the strategic roles of Japan, Korea, and Taiwan.

790.5/8–552

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Lovett) [1]

TOP SECRET [WASHINGTON,] 5 August 1952.

Subject: Proposed United States Position for Five Power Military Representatives Conference on Actions to be Taken in the Event of Chinese Communist Aggression in Southeast Asia

1. In view of informal discussions held by the Joint Chiefs of Staff with Representatives of the Department of State on 16 July 1952 and of a request for the Joint Chiefs of Staff to reconsider the positions established in their memorandum for you, subject, "Proposed Tripartite Conference on the Defense of Southeast Asia," dated 11 July 1952, on the basis of a "draft agreed minute" submitted on 16 July 1952 by the Department of State (Appendix), the Joint Chiefs of Staff conclude that:

a. The view of the Department of State, that the possible advantages of holding a five power military representatives committee meeting are sufficient to warrant the holding of such a meeting regardless of the fact that firmly agreed joint political guidance has not been obtained, is acceptable, provided it is understood by all participants that only military factors will be considered without unilateral political restrictions.

b. The terms of reference and assumptions submitted by the working group of the Tripartite Foreign Ministers Committee are unacceptable to the Joint Chiefs of Staff, to the degree and for the reasons indicated in the memorandum for you, dated 11 July 1952, referred to in paragraph 1 above.

c. Paragraphs 1, 2, and 3 of the Department of State, "draft agreed minute" submitted to the Joint Chiefs of Staff on 16 July 1952 (Appendix) had been submitted informally to the Joint Staff on 7 July 1952. These paragraphs were considered and rejected in the preparation of the report contained in the memorandum for you, dated 11 July 1952, referred to in paragraph 1 above.

d. The terms of reference and assumptions previously submitted by the Joint Chiefs of Staff are believed by representatives of the Department of State, to contain elements not salable to the other four powers which will participate in the proposed conference, at least prior to the holding of such a conference.

e. In view of the divergencies which exist between the powers, new terms of reference which are mutually agreeable to the Department of State and the Joint Chiefs of Staff and which are clearly within the framework of NSC 124/2 [2] are required.

f. There is general agreement among the Joint Chiefs of Staff and Representatives of the Department of State with the provisions of paragraph 4 of the "draft agreed minute" of 16 July 1952 (Appendix) which states that the primary objective of any action is cessation of Chinese Communist aggression and the governments concerned desire to obtain from their representatives a military analysis of the courses of action militarily recommended and feasible to attain that objective.

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[1] File copy attached to a covering note of Aug. 11 by McWilliams to the Secretary.

[2] Dated June 25, p. 125.

g. The following terms of reference are based on this paragraph. They are clear and concise and are subject to little, if any, misinterpretation. They will permit the military conference to be held; yet they support no particular nation's views but permit exploration of each course of action possible, both alone and in combination with all others without unilateral political restrictions. They establish no restrictions on the types of operations or the means employed while tending to keep the discussion within the limits of availability of forces. These proposed terms of reference are:

> (1) It is agreed that military representatives of the U.S.A., the U.K., France, Australia, and New Zealand should meet to consider the military actions which might be taken to force a cessation of armed Chinese Communist aggression, should it occur.
>
> (2) Based on the assumption that the Governments of the five powers have jointly decided to take action against Communist China in the event of further Chinese Communist aggression and on the assumption that a joint warning has been issued to Communist China regarding the grave consequences of Chinese Communist aggression against Southeast Asia, the Committee will, from a purely military point of view:
>
> (a) Determine the collective military capabilities of the nations represented on the Committee which might be made available to carry out the necessary actions to force Communist China to cease its aggression in Southeast Asia.
>
> (b) Make recommendations to the respective Chiefs of Staff as to the feasible military courses of action for accomplishing the primary objective, which is the cessation of Chinese Communist aggression.

2. It is, therefore, recommended that the Department of State be informed that:

a. The Joint Chiefs of Staff have no objections to the holding of an early five power military representatives conference under the terms of reference and assumptions indicated in subparagraph 1 g above, in lieu of the draft tentative agreement by the working group.

b. It is the view of the Joint Chiefs of Staff that the Governments of the United Kingdom, France, Australia and New Zealand should be notified that the United States feels that joint political agreements are essential and will continue to press for these agreements, but that the meeting of the five power military representatives committee may be conducted as a prelude to the making of such governmental agreements provided it is understood by all participants that only military factors will be considered without unilateral political restrictions.

c. It is the view of the Joint Chiefs of Staff that the Governments of the United Kingdom, France, Australia, and New Zealand should be advised that the draft tentative agreement by the working group has not been approved by the United States.

For the Joint Chiefs of Staff:
OMAR N. BRADLEY
Chairman
Joint Chiefs of Staff

Appendix

DRAFT AGREED MINUTE ON "DRAFT BASIS FOR DISCUSSION BY MILITARY COMMITTEE" DATED 16 JULY 1952

The U.S., U.K., and French Governments agree to the "Basis for Discussion by Military Committee" as drafted by their representatives in London with the following understandings:

1. The "provisional conclusions agreed by the Governments concerned" are working assumptions agreed to by the Governments only for the purpose of providing guide lines for the military talks;
2. The statement "That the action taken is not designed to overthrow the present Chinese (Communist) Government, but to cause them to cease their aggression" is not to be interpreted to mean that military action otherwise considered necessary to compel cessation of the aggression would not be undertaken because such action might bring about the overthrow of the Communist regime or that such action, once undertaken, would be terminated or modified in the event that the fall of the Communist Government appeared imminent;
3. The phrase "support areas in Chinese territory" should not be interpreted so as to exclude the possibility of naval blockade;
4. The primary objective of any action is cessation of Chinese aggression, and the governments concerned desire to obtain from their representatives a military analysis of the courses of action militarily recommended and feasible to attain that objective.

Conference files, lot 59 D 95, CF 116

United States Minutes of the First Meeting, ANZUS Council: Fifth Session

TOP SECRET KANEOHE, T.H., August 6, 1952—10 a.m.
HON MIN—5

[Here follows a list of persons present (31).]

The Secretary opened the fifth session with a discussion of the Southeast Asian area. He assured the Council that the United States regarded this area as having great strategic importance from every point of view. As an example, he circulated a map which contained data relative to food production in Southeast Asia, showing that from one standpoint alone that area in Communist hands would constitute a very grave problem.

Indochina

The most vital part of the area was Indochina. Sometime ago we had urged the French to move on more quickly in the transfer of administrative power to the three Associated States. Due to the resistance of the French civil servants, progress had been slow. We considered that the best way to make progress was to develop the Viet-Nam army. The difficulty was to convince the people that they possessed the power to oppose the Communists. In the development of the Viet-Nam army we were supplying necessary equipment. We thought of this army as one which was Viet-Namese throughout and was outside the French union forces. This army now had four divisions which it was intended to expand by two divisions in 1952 and two more divisions by 1954. The other two Associated States had at least a division each for which we were also supplying equipment. We had been concerned by the fact that since the death of de Lattre the offensive spirit of the forces appeared to have declined and there were indications that French efforts had become a holding operation. We thought it was a mistake to sit in defensive positions.

The Secretary described the Viet-Minh army, which he said had approximately 315,000 men with some organized Chinese units attached to it. If the Chinese forces were increased by a substantial number, opposition to them would probably not be successful. There was one thing that might be done to deter Communist aggression in South East Asia, namely, the publication of a warning to Communist China. Such a declaration, however, raised serious problems as to the nature of the warning, whether it should be public or private, blunt or vague. Schuman was inclined toward a vague warning. It was our opinion that discussion of this warning should be put off until we knew what we were going to do in South East Asia. It seemed to us impossible to convey a warning unless we had agreed on what we would do, especially if the warning were disregarded. A warning had a certain "preventive" quality. (The Secretary then quoted paragraphs 27 to 32 of the *Ad Hoc* Committee's report on South East Asia.)[1] He said that the British agreed with the contents of the *Ad Hoc* Committee report but had made certain reservations which, in the opinion of the United States, rendered the report useless. We felt that the officers who had participated in the preparation of the *Ad Hoc* Committee's report could not talk freely as they had had to confine themselves to a discussion of Indochina. The purpose of the guidance paper which had been prepared last June in London [2] was therefore to get agreement between the governments so that our military men could talk without restriction. The French and British had approved the London guidance paper but thus far we had not done so as we were not sure that it met the requirements, i.e., that it would permit recommendations on the possible courses of military action.

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[1] For text of the report mentioned here, see the subenclosure to Admiral Davis' memorandum of Feb. 5 to the JCS, p. 40.

The Secretary then read the conclusions of the representatives of France, the United Kingdom and the United States for the policy guidance of the *Ad Hoc* Committee. (London telegram 5999, June 28, 4 p.m.) Regarding the conclusion, that in the event of further Chinese aggression, joint agreed action would be taken, the Secretary commented that this point had been included so that something could be done. Regarding the conclusion that the action taken would not be designed to overthrow the present Chinese Communist government but to cause it to cease its aggression, the Secretary said that the French and British wanted this statement included as they feared the impulsiveness of the United States might draw them into a war with China. With respect to the conclusion which stated that in any action to be taken, the risk of provoking Soviet armed support of China should be reduced to a minimum consistent with effectively carrying out the task of causing China to cease its aggression, the Secretary said that by using the words "reduced to a minimum" it was hoped to avoid a merry-go-round. Finally concerning the conclusion that, if aggression occurred, action, at any rate to begin with, should if possible be confined to the area of aggression and support areas in Chinese territory, the Secretary commented, that this phraseology, which was aimed at not spreading our action, might stop the talks. He added that in our opinion not only the beginning but the end of the action had to be discussed.

Australian Views on Southeast Asia

Mr. Casey then outlined in detail Australia's direct and immediate preoccupation with the Southeast Asian area. Before the war Australia had dealt with the UK, France and the United States with respect to that area. Now that situation had changed and Australia dealt directly with the nine countries of Southeast Asia. It was Australia's belief that the great powers had neglected Southeast Asia; therefore, Australia was happy to see evidence of a new interest. Southeast Asia was right on the doorstep of Australia. It was the natural direction in which Australian troops would move in case of war. The source of the trouble was the expansion of Communist China toward the south, an expansion which might turn toward either Indochina or Burma. The Burmese believed that 50,000 Chinese troops would be sufficient to overrun Burma and could not be stopped. Once in the country they could sweep in any direction. They would have a food supply and would control the well-being of all the people of Southeast Asia. Were that to happen the present weak governments in this area could not maintain themselves in power. The death of de Lattre had been a tragedy as he had been responsible for destroying the defeatist attitude in Southeast Asia. The Australians considered Letourneau to be fairly good. The essential point was whether or not the French would toss in their hand and in the opinion of Australia every pressure should be used to keep them from doing that. Australia considered that of the two avenues open to Communist China, Indochina was the most likely as it constituted the last remnant of colonialism and remained in the minds of Peking a great "chop stick" region. Australia was glad that the *Ad Hoc* Committee would attempt to assess the possibilities for holding the area. The problem was from where the equipment would come. The dilemma was how Communism could be deterred, as we could not take on China proper and therefore there appeared to be no answer in a military sense. Matters such as these constantly engaged the thought of Australian leaders as they had to determine where to send their troops in case of an emergency. Australia would willingly help to induce the French not to throw in their hand.

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[2] Transmitted in telegram 5999 from London, June 28, p. 143.

Mr. Watt reviewed his impressions following an extensive trip through Southeast Asia. He said that on the military side in Indochina he had been somewhat relieved and had concluded that the problem was less a military than a political one. The political problem had two aspects: the destruction caused by the French and Viet-Nam counterattacks—in contrast to the quiet infiltration of the Viet Minh—was misunderstood by the villagers; the real problem, however, lay with the Viet-Nam Government in Saigon which pursued local rather than national aims and thereby drove many into the hands of the Viet Minh. Mr. Watt said he had found many French on the top who had wanted to turn over power but many down the line who resisted this. There was a real necessity to solve the political and economic problems as well as the military ones. The Secretary endorsed the conclusions of Mr. Watt.

Ambassador Munro said Ambassador Bonnet [3] had indicated to him last April that unless more sympathy and aid were given by the big powers to the French in Southeast Asia, they would get out. It was a source of satisfaction to the Ambassador, therefore, to see that the French position had changed following the Letourneau talks. Mr. Webb said that UN action in Korea would have a serious effect on the Chinese and accordingly he hoped that some "stiffening up" in Southeast Asia would greatly relieve the danger there. He commented, however, that the French were "unpredictable" allies. The question was how far New Zealand could go in view of its commitments in the Middle East. In any case, New Zealand could be counted on to play its part in Southeast Asia, subject to those commitments.

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[3] Henri Bonnet, Ambassador of France to the United States.

Need for United Action in Southeast Asia

Mr. Casey raised the problem of British-American relations, stating that he had noticed a perceptible feeling of rivalry between the British and the US missions in Southeast Asia. This rivalry was in part due to the fact that the US had funds to hand out. It was sensed, however, by the local people and this was unfortunate. He asked if anything could be done to make it clear to these people that there was complete unity and friendship between the US and the UK. If the people of Southeast Asia were convinced of this fact, we would enjoy a great moral and psychological advantage. Secondly, he suggested that a stepped-up radio propaganda program might be useful. There were in Southeast Asia inherent schisms and antagonisms which could be exploited when the war in Korea ended. He cited as an example the basically anti-Chinese attitude of the people of Indochina. Ambassador Spender said that it was impossible to agree on any policy until we had an evaluation from the military as to what could be done, with what force, and with what results. The dilemma arose from the fact that the military advisers were presently compelled to recommend "the least provacative action". He felt that we might lose out in following such a directive.

U.S. View on Current French Position

The Secretary, replying to the various questions raised, said that there was no categorical answer to the question of the attitude of the French but the evidence indicated that with our help the French would remain in Indochina. The present Government in France, he said, was solid on staying in Indochina, although strong elements outside the Government wanted to pull out. Two factors, however, appeared to be working in favor of the present Government's attitude: First, it was easy to say that the French should get out but it was a difficult thing to do and second there was a close connection between a French defeat in Southeast Asia and the attitude of the people of North Africa toward France. The Secretary pointed out that the drain on France in maintaining its position in Southeast Asia prevented the French from taking those steps which it would like to take in contributing to the solution of the European problem. Now, however, the French had some hope in that they could at least say they were building an army in Indochina which would enable them to withdraw French forces in time. The Vietnam Army was the "light at the end of the tunnel". That had a great effect. Moreover, it was important that on every possible occasion the French be assured that what they were doing in Southeast Asia was in the common interest in the defense against Communist aggression.

With respect to the Southeast Asia defense talks, the United States hoped that we would get out of them specific recommendations including a series of plans and a resolution of the difference of views as to whether or not we could stop Communist aggression in that area. Our military advisers believed it was possible to stop China.

Analysis of the Military Situation in Southeast Asia

Admiral Radford then analyzed the situation in Southeast Asia. He said that the US, UK and France thought alike regarding the importance of Southeast Asia but that they were not working together politically and this was known. Progress had to be made in our political thinking but that was impossible unless we were together. The political thought of the UK and France was powerfully influenced by the belief of their businessmen that they could hold on by sitting tight and accepting no risks such as those inherent in any series of recommended military actions. The French feared military talks would provoke a full-scale attack on Indochina; the British, an attack on Hong Kong. He felt that such an attitude was wrong. Despite risks to Hong Kong and Indochina, we should all sit down and talk frankly about military possibilities. We should not forget that the Chinese, too, had serious problems. They had large forces on paper but not many trained divisions; they did not have our mobility; and they were vulnerable logistically. It was easier for us to make a move than for the Chinese. He did not believe that the Russians wanted a global war. Although they could make the greatest advance in the shortest time in Asia, we could stop them if we made up our minds to do so. Even the defensive posture in Formosa, where we are engaged in creating increased strength, would make the Chinese Communists think before attacking Hong Kong or Indochina. So far as Indochina was concerned it could be held but not by landing troops there. If we were to take the course of action necessary to prevent the Chinese from overrunning Indochina we would have to do all sorts of things which might bring about an attack on Hong Kong. The Chinese could not throw the French out of Indochina easily.

Mr. Webb asked if, without precipitating a world war, we could prevent the Chinese Communists from taking Indochina. Admiral Radford replied we could do so without precipitating a land war. Mr. Casey described the situation in Southeast Asia as similar to that of an octopus with tentacles reaching in all directions. The Secretary said the problem was whether or not we would confine military action to Indochina, to Indochina and its approaches, or to China on a broader scale. Ambassador Munro asked whether, in the event the Chinese employed 100,000 troops in Indochina, and we took full retaliatory action against China, this would result in all-out war. Admiral Radford said that the term "all-out war" was misleading. We were already engaged in such a war with the Chinese even though it was limited to one theatre. He said that the situation in Indochina was pretty good and he did not worry about aggressive French-Viet-Nam operations. Next fall the French could take offensive action of a limited nature. They had a strong position in Indochina. This position would be further strengthened if we made it plain to the Chinese that they could not come down without bringing a variety of possible military actions on their heads. Mr. Casey asked if it were true that 10,000 Chinese were fighting in Indochina. Admiral Radford replied that he did not know but that this made very little difference. Ambassador Munro wanted to know if it would be necessary to land forces to hold Indochina in case of a mass Chinese Communist attack. Admiral Radford replied that he thought this would be wrong. Our aid today pretty much approximated what could be absorbed in Indochina. Europeans could hardly live and fight successfully there. Mr. Webb suggested that it would be difficult, if troops were landed in Indochina, to decide whom they should be under. Admiral Radford concurred.

Mr. Casey asked if the US had confidence in Bao Dai.[4] The Secretary replied that we did not have "too much" confidence in him. Granting French willingness to turn things over to the Viet-Namese, the real trouble lay with the Viet-Namese authorities, who were not attracting the young people, and with many colonial officials who were dragging their feet. Mr. Casey asked if the United States was taking a hand in the training of the Viet-Namese army. Admiral Radford replied affirmatively, and added that U.S. aid was transmitted through the French. Mr. Casey suggested that propaganda programs be stepped up in Southeast Asia through the use of Radio Australia and its integration with programs of the Voice of America. The Secretary asked that Mr. Casey furnish him with a memorandum on this subject.

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[4] Emperor of the State of Vietnam.

Ambassador Munro suggested that disintegration occurred whenever Viet-Nam took over full control of army units from the French. The Secretary and Mr. Allison stated that well-trained Viet-Nam authorities were scarce and the Government therefore had difficulty in taking over reconquered areas. However, the problem of training administrators and military leaders was proceeding with US assistance and it was hoped that their quality would continue to improve.

Burma

The Secretary said with respect to Burma that the situation had improved over a year ago. On the military side, there was no force to oppose the Chinese but the Chinese Communists were unlikely to attack Burma because it was not controlled by a colonial power and such an attack would disturb India.

Thailand

Regarding Thailand, the Secretary said that the situation was internally unstable due to the personal ambitions of the leaders. We had MSA and military missions there in order to develop such stability as might be possible. If Indochina fell, however, Thailand would not last.

Malaya

Mr. Casey asked for the Secretary's opinion regarding Malaya. The Secretary said that we had followed with sympathy the extraordinarily difficult situation there. Large forces were arrayed against the Communist elements. Admiral Radford added that the Mayalan Government had sent officials to the Philippine Islands to study the successful methods followed there in exterminating the Huks. The Secretary said that Letourneau had also been in touch with the Philippine Government regarding this matter.

Indonesia

Mr. Casey asked about Indonesia. The Secretary said that we were troubled by the internal weakness of Indonesia brought about by cabinet struggles. Mr. Allison said that the new cabinet wanted to be completely neutral in the East-West conflict and would not take guidance. However, it was still anti-Communist. We had had difficulty with our aid program, which appeared to tie Indonesia openly to the West.

New Guinea

Mr. Casey expressed Australia's concern over the possibility of change in sovereignty in Netherlands New Guinea. He said the repercussions would be explosive should such a change occur, whatever might be the merits of the case. The Australian Government would fall if Indonesia gained control of this vital approach to Australia. Australia feared that on net balance, the Dutch might be ready to make a deal. The Secretary said we agreed that this problem should be kept on ice. A point was that in Holland the domestic political situation prevented this problem being considered at present.

Atomic Weapons of the USSR

Ambassador Munro asked about the progress of the Soviets in the field of atomic weapons. The Secretary said that Soviet progress in this line created a very serious problem.

Extension of Council's Relationships

The Council discussed the draft statement,[5] for inclusion in the communiqué, concerning the possible creation of relationships with other states and regional organizations, and agreed that the matter should receive further study by the drafting officers.

After approval of the press briefing paper (see ANZUS 1/7 [HON D-7])[6] the fifth session of the Council meeting was adjourned at 12:40 p.m.

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[5] Not found in Department of State files.

[6] Annex G, not printed. Brackets in the source text.

Conference files, lot 59 D 95, CF 116

United States Minutes of the First Meeting, ANZUS Council: Sixth Session

TOP SECRET KANEOHE, T. H., August 6, 1952—3 p.m.

HON MIN-6

[Here follows a list of persons present (10).]

Continuing Military Machinery

Australian Proposal

The Wednesday afternoon session, August 6, began with a discussion of continuing military machinery (ANZUS Agenda Item B 2). Referring to the Australian paper on this subject which had been circulated earlier (ANZUS 1/7, Annex H),[1] Mr. Casey said that Australia planned to appoint a senior military representative to the military group. Australia bore in mind the U.S. desire to keep the machinery simple but greatly desired a tie-in in order to know about planning. The difficulty in coming to a decision as to whether her effort was to be in the Middle East or in Southeast Asia, involving different types of warfare, was hampering Australian military training. The desire to have a NATO tie-in similarly was a reaching-out for a means of learning about world military planning.

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[1] Not printed.

Mr. Casey continued that the tie with Admiral Radford might enable Australia and New Zealand to fulfill their responsibilities under the ANZUS Treaty but would not assist them to meet their responsibilities in other theaters. He argued for a tie with the Pentagon so that they would have knowledge of planning in other theaters. Mr. Casey promised that their representative would not be a nuisance; he would be instructed not to be an added burden to US planners. Australia would feel that it had failed in an effort to establish a sound military relationship with the United States if it was not able to have a link with the Pentagon. He urged that the Australian proposals for continuing military machinery be tried on an experimental basis.

New Zealand Proposal

Mr. Webb said that the New Zealand proposals for continuing military machinery as indicated in the New Zealand paper on this subject (ANZUS 1/4)[2] faced two problems: First, the employment of resources in the Pacific. There was no difficulty here. We were in agreement. Liaison with Admiral Radford was adequate for this purpose. Second, employment of forces in other areas. This was the real problem. The New Zealand commitment in the Middle East tied in with NATO. If NATO became involved in the Middle East, New Zealand and Australian obligations would be affected. New Zealand did not want to be presented with a paper for comments. They wanted to be in on the planning, to have their viewpoint presented at the outset and to have continuous knowledge of planning and the over-all picture.

General Gentry pointed out that New Zealand was a member of three collective security systems: the UN, the Commonwealth, and ANZUS. New Zealand had a wholehearted commitment to the Commonwealth. In the event of global war New Zealand was planning a total commitment as soon as possible after the outbreak of hostilities. By a total commitment they meant they would contribute the whole army and the air force, although the latter was relatively small. Strategic objectives, however, were not static. Ideas change and because of this changing pattern New Zealand wanted to be in on and informed of plans. The Southeast Asia conference, MEDO and ANZUS did not really solve the problem which was where to employ the greatest resources and make the greatest effort. General Gentry made two further points: First, if the Deputies were meeting in Washington they would need the military advisers there. Second, in the event of global war Washington would run the show; therefore, New Zealand needed someone in Washington.

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[2] ANZUS 1/4 has not been found in Department of State files. However, the proposals in it may be identical to those in Annex I to HON D-7, "Proposals of New Zealand Government Concerning Continuing Military Machinery".

Mr. Casey added that Australia and New Zealand would welcome the assignment of U.S. officers to their defense departments.

U.S. Proposal

The Secretary said that there was a problem here based on a lack of general understanding. He would speak with the utmost frankness to the Australian and New Zealand Ministers. We understood their dilemma as to whether their effort should be in the Far East or the Middle East. However, the fact that we in the State Department had contact with the JCS did not mean that we knew where our own U.S. effort would be. The JCS had no ready answer to give to Australia and New Zealand.

We were faced with two possibilities: first, the outbreak of general war at any time and second, a series of involvements in a variety of areas. This latter was the "creeping problem." The JCS had tentative plans in the event of global war but these plans must be revised in the light of the situation as it developed. Admiral Radford knew all about these plans and Australia and New Zealand could learn about them as satisfactorily in Honolulu as in Washington. The scene of the "creeping problem" was most likely to be in the Far East or possibly the Middle East.

Admiral Radford was the center of plans and recommendations in the Pacific. It was not true that Honolulu was an outpost in contrast with Washington as the center. Admiral Radford was in charge of one of the great U.S. commands and dealt with one of the most sensitive areas. The Australian and New Zealand proposals, which contemplated a direct relationship with the JCS in Washington, are unprecedented and undesirable. We wished to avoid confusion and to keep a balanced relationship. We were convinced that Australia and New Zealand would not get what they thought they were going to get from the JCS. No one in Washington was going to tell Australia and New Zealand what the JCS were going to think before they thought it. As soon as the JCS decided, Admiral Radford knew their decision. He knew their past decisions as well as the JCS do. The JCS listened with respect to Admiral Radford, and Australia and New Zealand had their best chance through him to present their views in planning. No country had the setup which Australia and New Zealand sought. The Secretary described the US-UK military relationship, pointing out its limited nature. We proposed Admiral Radford as our military representative as we thought this the best solution. We believe that the Council should give our plan a try. As many of the problems which troubled Australia and New Zealand were primarily political rather than military we thought they could get what they wanted through Admiral Radford and the ANZUS Council. The Secretary said he wished to dispel any misconception as to the role of the Standing Group. He said it worked on problems of raising and supporting the forces under General Ridgway's command and was not involved in global planning.

Admiral Radford described the U.S. military planning system, tracing the establishment of the Combined Chiefs of Staff during the war period and explaining the reasons why the Combined Chiefs had never been re-established. At the direction of the President the JCS made broad outline plans. The JCS had such a broad outline plan in the event of a global conflict. From the way we had deployed our forces the nature of this plan is clear. Over-all plans were then sent to theater commanders to work out detailed plans. Admiral Radford was responsible for the Pacific. It was also possible for him to originate a plan and send it to Washington for approval and comment. Australian and New Zealand representatives could help in formulating such plans in Honolulu. He stressed that there was no world-wide allocation of forces and that no global planning machinery is presently contemplated.

Discussion of U.S. Views

Ambassador Spender and Mr. Casey questioned Admiral Radford concerning the areas included in his command and whether his authority extended over other than naval forces. They expressed surprise in learning the extent of his command responsibility, especially the fact that this responsibility included Southeast Asia operations. Admiral Radford said that the larger world interests of Australia and New Zealand could be provided for by the ANZUS Council, with detailed planning being done at Pearl Harbor. The Secretary described the successful operation of the Permanent Joint Board on Defense, U.S.–Canada, and the easy, comfortable working relationship which was enjoyed there.

Ambassador Spender asked if anything would preclude the Deputies from calling for information beyond the competence of the planners at Pearl Harbor. Admiral Radford replied that appropriate questions could be submitted to the JCS for answers. As far as the Australian and New Zealand role in global war was concerned, it would be appropriate for an ANZUS Council request for information to be transmitted to the JCS for their views. The Secretary endorsed this view and said that the definition of the types of questions which could be raised with the JCS should be flexible and not made hard and fast.

Mr. Casey inquired, with reference to the U.S.-Canadian Defense Board, whether the Canadians had any greater access to the JCS or the Pentagon than Australia and New Zealand now have. The answer was a flat no from the Secretary and Mr. Foster.

Ambassador Spender inquired about U.S.-Canadian production allocations. The Secretary said that some production allocations had been worked out but when the Canadians wanted to talk about raw material allocations it was recognized that this could not be settled on a bilateral basis and that broader discussions were needed.

Ambassador Munro inquired whether we visualized that information from the JCS would be passed to New Zealand through the State Department or through the Military Representatives. The Secretary replied that this could be done through the State Department but that it was most likely that answers to problems on which Admiral Radford was working would be transmitted through the Admiral.

Mr. Casey wanted assurance that questions that Australia poses to the U.S. Government would get answers from appropriate areas of the U.S. Government when they were beyond Admiral Radford's competence. He also wanted to know whether or not Australia and New Zealand could continue to speak publicly of the "military committee". Did we have any objection to a link between the senior Australian military representative in Washington and Admiral Radford? Turning to the second question, Admiral Radford said he thought that the Australian military representative in Washington would very likely have reason to visit Pearl Harbor from time to time for discussions. The Secretary added that we had contemplated the mutual assignment of officers who would be military representatives accredited to the Council.

U.S. Paper

At this point, a paper (ANZUS 1/5)[3] containing the U.S. proposals as approved by the JCS, was circulated. The proposals were as follows:

> 1. One Military Representative from each of the governments signatory to the ANZUS Treaty should be accredited to the ANZUS Council.
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> a. The Military Representatives will:
>
> 1) Advise the Council on problems of military cooperation which may arise in connection with the application of the ANZUS Treaty;
> 2) Consider and make recommendations to their respective chiefs of staff on the measures which might be taken to increase mutual assistance and self-help, looking to the improvement of the defense of Australia and New Zealand and

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[3] Not printed.

their territories as related to the over-all strategic defense of the Pacific; and

3) Furnish to the Council these recommendations which have received approval of their respective chiefs of staff.

b. The Military Representatives will meet periodically, as required and shall rotate the seat of the meetings between Pearl Harbor, Melbourne and Wellington. When so requested by the Council, they would meet in Washington, Canberra, or Wellington in conjunction with regular annual Council meetings.

c. The Military Representatives will draw up their own rules of procedure.

2. The Commander-in-Chief, Pacific, or an alternate designated by him will be accredited to the Council as the U.S. Military Representative.

3. In order to provide the necessary exchange of information and to provide for continuity of effort among the three representatives, each government may assign to the offices of the Military Representatives of the other, not more than two liaison officers of a rank no higher than field grade.

4. Existing agencies and channels should be utilized to the fullest extent practicable in implementation of the ANZUS Treaty.

Mr. Casey said that Australia accepted the U.S. proposals for continuing military machinery as set forth in the U.S. paper on this subject.[4] He wanted flexibility in the representation at meetings of the military representatives as Australia might wish to change its representative from time to time. Admiral Radford suggested that the military representatives could meet and decide such details.

In discussing assignment of military liaison officers, Admiral Radford mentioned that it would be desirable for each country to limit the number of officers so assigned to that number which could be fully utilized in the work of the military representatives.

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[4] WAM D-2/2, "Machinery for Military Consultation", Aug. 26, 1953, a paper prepared in the Department in anticipation of the Second Meeting of the ANZUS Council (held in Washington, Sept. 9–10, 1953), contains a review of this decision.

According to this paper, "the Australians and New Zealanders were seriously disappointed by the formula and felt that the United States had failed to grant them the degree of consultation at the military level which they had been entitled to expect.

"The Secretary endeavored by means of the round-up, during which he expounded United States appreciation of major international problems and United States policies and plans concerning them, to cause the Australians and New Zealanders to feel—what was indeed the fact—that we had taken them fully into our confidence and had given them in the ANZUS Council direct access to our thinking at the highest levels.

"The Secretary succeeded to a considerable degree in this task but he was unable to alleviate all the disappointment felt by Australia and New Zealand over the Joint Chiefs of Staff formula." (Conference files, lot 60 D 627, CF 161)

Mr. Casey inquired if the Council could review the operation of this machinery from time to time. Both the Secretary and Admiral Radford replied that they could see no reason why this could not be done. The arrangements were not hard and fast. Mr. Casey then said that the military machinery as suggested by the United States should be considered by the Council to be in effect until changed by mutual agreement. This was agreed.

ANZAM

Mr. Casey said that he wanted to discuss ANZAM.* Australia would like the United States to take cognizance of the ANZAM area. Sir Frederick Shedden, asked to explain this point, said that the question was how ANZAM was to function in the event of war. The U.K. wanted to know the relation of ANZAM to ANZUS. Did Admiral Radford want to take note of ANZAM and take part in the responsibility for ANZAM planning? Mr. Webb considered that this was a question for the military machinery. Sir Frederick agreed but wanted to note that the question exists. Admiral Radford stated that he and Vice Admiral Collins (Chief of Naval Staff, Australia) had talked about this. He could not see why the U.K. was concerned with having the question raised in the ANZUS Council other than that the U.K. wanted to make sure that planning for ANZAM was not overlooked. We had to know more about what we had to do and how to do it before we knew the answer to what to do about ANZAM. The military representatives could discuss this question.

Relationship of ANZUS to NATO

Mr. Casey asked for the U.S. views on the possible relationship of ANZUS to NATO (ANZUS Agenda Item C 2). As NATO expanded its activities into such fields as allocations and supply, Australia and New Zealand were more and more left out. Their basic reason for wanting a link with NATO was to have a connection with the organization that had such large planning responsibilities. Mr. Watt mentioned that Prime Minister Menzies, in discussing this problem with members of the Australian delegation, had made two points. First, Australia was not seeking NATO membership or associate membership. It wanted information. Second, Australia was not under the illusion that NATO was doing global planning. They wanted information on NATO activities, such as economic plans, that might affect them. Australia already had two links with NATO in NATO planning on shipping and petroleum. If the

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*This term, which means "Australia, New Zealand and Malaya", is chiefly used in service parlance and relates to joint Australian, New Zealand, and UK planning for the defense of the Australasian area. The headquarters of this enterprise is in Melbourne. [Footnote in the source text.]

United Nations should collapse NATO was the only remaining large anti-Communist organization in the world and Australia was not a member.

The Secretary said that one link could be between SHAPE and MEDO. There was no tendency in NATO to expand further in the area of military responsibilities. Rather there was a tendency to withdraw from previous goals. The Secretary had been giving thought to the problem of the division of our total resources. It might be that the European economy was being loaded to the point where it might crack. Perhaps we should give more emphasis to economic aid. We were faced with the problem of the proportion of available aid to be allocated to the Middle East as against the Far East and Europe. These were problems on the solution to which we get little help from our membership in NATO. We could not see how such membership would help Australia and New Zealand. Our problem was how to divide too few resources among too many demands. The best way for Australia and New Zealand to present their claims upon U.S. resources, which were limited, was through their Embassies in Washington. The Secretary said that the U.S. would be glad to take up with NATO such appropriate problems as Australia and New Zealand might bring up in the ANZUS Council and would try to get an answer.

Official communiqué

The draft communiqué was then discussed at length and modified in some of its details (ANZUS 1/6).[5] During this discussion Mr. Casey pointed out that it should be clear that the three governments shared the responsibility for the decision concerning the possible attendance of a U.N. observer. The communiqué was approved.[6]

Mr. Casey for Australia and Mr. Webb for New Zealand expressed to Mr. Acheson their appreciation of the value of the meeting and their gratitude for the manner in which Mr. Acheson had taken them so fully into his confidence. They expressed also their thanks to Admiral Radford for his contribution to the discussion and the hospitality which he and his officers had extended to the delegations.

The Secretary thanked the Australian and New Zealand Ministers for their remarks and declared that the meeting had been an extremely valuable one for the United States. He joined with them in their expression of appreciation to Admiral Radford.

The sixth and final session of the first meeting of the ANZUS Council was adjourned at 6:20 p.m.

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[5] Not found in Department of State files.

[6] For text, see Department of State *Bulletin*, Aug. 18, 1952, p. 244.

790.5/8–752: Telegram

The Secretary of State to the Department of State

SECRET
PRIORITY

KANEOHE, T. H., August 7, 1952—11 a.m.

Actel 3. Please deliver following message to President from Secretary.

"Dear Mr. President:

"I am happy to report that this conference has been a most successful one. We have been able to carry out our program just as it was worked out in Washington and at the same time leave the Australians and New Zealanders happy and contented with the three days of meetings. The only real problem which existed was the Australian desire to get themselves into the machinery of NATO and into that of our own Joint Chiefs of Staff. There was a lesser problem springing from the desire of both the other countries and Great Britain to have the latter added to our council as an observer. You were clear in my last talk with you that neither of these desires could be gratified.

"It seemed to me that both the countries suffered from the knowledge that they had little knowledge of what was going on and of our attitude toward and appraisal of current situations. They felt remote, uninformed and worried by the unknown.

"So Admiral Radford—who has been the greatest possible help to us and has contributed in an outstanding way to the success of this conference—and I decided that instead of starving the Australians and New Zealanders we would give them indigestion. For two days we went over every situation in the world, political and military, with the utmost frankness and fullness. At the end they were happy as clams with political liaison through the Council and military liaison through Admiral Radford.

"We have also had time for swimming in the pool at Kaneohe and in the ocean at the officers club which they believe here made a great hit with you. Alice [1] has gotten some good sketches and innumerable leis.

"I hope to see you next Monday and report fully.[2] The papers tell me that you look rested and in top form. Your word for it, they say, is chipper. That is good news.

"Respectfully, Dean."

ACHESON

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[1] Mrs. Acheson.

[2] In a memorandum of Monday, Aug. 11, Kitchen reported that the Secretary had mentioned discussing the ANZUS Council meeting with President Truman that day. The memorandum contains no details of this conversation. (790.5/8–1152)

Conference files, lot 59 D 95, CF 116

Memorandum of Conversation, by the Ambassador at Large (Jessup) [1]

SECRET [KANEOHE, T.H.,] August 8, 1952.

Subject: Australian Questions

Participants: Mr. Casey, Australian Minister of External Affairs
Philip C. Jessup, U.S. Ambassador at Large

At the airport prior to our departure from Kaneohe, Mr. Casey spoke to me about the following matters:

1. He mentioned the question of the island of Manus. He said that along about the close of the war the United States had been interested in a base on Manus and that the then Labor Government in Australia had "very stupidly" turned down the request. He said he understood that we had now made other arrangements and did not need the base there. He had spoken to Admiral Radford and suggested that even if we did not want it as a base perhaps arrangements could be made for occasional calls by American naval vessels. He said this would be very helpful to them in Australia. (Mr. Perkins later informed me that the Australians have an idea that if we were concerned with Manus it might give us a larger interest in the New Guinea question.)

2. Mr. Casey asked me whether the Secretary would plan to say anything more about the further development of a Pan-Pacific Pact. I told him I thought there was nothing more that could be said. The question had been covered at the Conference and in the Communiqué and we had all tried to find a general form of words which would deal with the question in such a way as to avoid hurting the susceptibilities of any other countries. Mr. Casey inquired whether the Secretary's statement at the Conference that the United States did not anticipate any development of this kind within the next year represented his definite views on the matter. I told him that the Secretary's statement was quite explicit and that he did not need to go beyond that.

3. Mr. Casey said that immediately after the decision in the Council on the question of a UK Observer he had cabled to Eden explaining the decision and emphasizing that it represented the unanimous judgment of everyone at the conference and that all considered that no other answer to that question was possible at this time.

4. Mr. Casey handed me a letter to the Secretary [2] on the question of cooperation between Radio Australia and VOA. He repeated

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[1] Apparently drafted after Jessup's return to Washington.

[2] Not found in Department of State files.

the statement which he had made at the conference concerning the desirability of close liaison which would enable them to cooperate through their facilities.

790.5/9–452: Telegram

The Commander in Chief, Pacific (Radford) to the Joint Chiefs of Staff [1]

TOP SECRET [HONOLULU, T.H.,] 9 August 1952—6:32 a.m.

DTG 090332Z. Initial meeting ANZUS Council completed. Details proceedings contained State Msgs forwarded Washington separately. State–Defense paper on military machinery [2] accepted by Council as presented by US Delegation. In connection with the responsibilities of the Mil Reps there was a definite understanding that planning information would be exchanged, that the military situation in SE Asia would be reviewed, and recommendations on possible courses of action in the event of further Commie aggression in SE Asia short of general emergency would be submitted to respective chiefs of staff. CINCPAC considers US definitely committed joint development plans for defense this area and further these agreements involve a major change in military relationships with Aus and NZ. If JCS have different views terms Council understandings suggest this be resolved at appropriate level.

CINCPAC as US Mil Rep proposed initial meeting Mil Reps take place Pearl about 1 Sept. Aus and NZ Delegates tentatively agreed subject later confirmation. It is CINCPAC's intention at initial meeting to establish procedures and lay ground work to implement Council agreements. CINCPAC further considers it essential to exchange planning information and to proceed with the actual development of defensive plans for submission to respective chiefs of staff.

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[1] The source text is Appendix B to Lovett's letter to Acheson, Sept. 4, p. 216.

[2] HON D–2/1, July 30, p. 165.

790.5/8–1152

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Secretary of State

CONFIDENTIAL [WASHINGTON,] August 11, 1952.

Subject: Appointment with Ambassador Romulo

I understand you are to see Ambassador Romulo at 10:30 Tuesday, the 12th. The Ambassador asked me to lunch today and the following is a résumé of what he told me and will be the basis for what he wishes to say to you tomorrow.

The Ambassador referred to the statement made by President Quirino [1] during the course of the ANZUS Conference and told me that he had dictated it over the phone to Quirino at the latter's request. Quirino had apparently been disturbed by the opposition complaints in Manila and had telephoned Romulo on what it was all about, apparently not fully appreciating exactly what the ANZUS Meeting was. Romulo says that he set the President right and convinced him that the Council Meeting in Honolulu was perfectly normal and natural consequence of the Treaty which had been signed at San Francisco. He reminded Quirino that the Philippine–United States Mutual Defense Treaty had been signed previously in Washington in the presence of President Truman and that in fact the ANZUS Treaty merely brought Australia and New Zealand up to equality in relations with the United States to those between the United States and the Philippines.

Romulo went on to state that in his opinion it was unfortunate that the ANZUS Meeting could not have been held quietly in Washington as this would have obviated considerable misunderstanding among the Orient nations. He went on then to refer to the editorial in Sunday's *New York Times* [2] and to its account of the reasons why the Asiatic nations were not present in Honolulu. He referred particularly to the suggestion in the *Times* editorial that there might be some sort of "general consultative Pacific body". This body would to some extent take the place of the now defunct Far Eastern Commission and would be a channel for interchange of information and opinion on matters affecting the whole Pacific area. Romulo expanded on this idea, saying that he thought it would have great merit and could not do any harm. According to his idea, such a council or commission would have no military functions whatsoever nor would it be in any way a policymaking body. It would be solely for the exchange of ideas with regard to general Pacific affairs, cultural matters, broad economic and social matters, and the like and would be set up at not more than an advisory level. The Ambassador believes that if something along this line could be done and if Asiatic nations such as the Philippines and Japan, which to my surprise he specifically mentioned, could be brought in it would go far toward reassuring the Asiatic nations that they were not being excluded. It would also have the virtue, through having no military functions, of making it possible to bring in such nations as Burma and Indonesia who undoubtedly would not participate in anything of a military or security nature.

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[1] In this statement, as reported by the *New York Times* of Aug. 5, the President had emphasized the possibility of future expansion of the ANZUS Security Treaty.

[2] "Making Pacific Policy", Aug. 10.

I believe that this idea has merit and is at least worth exploring. In fact I had had somewhat the same idea when I read the *Times* article and prior to my luncheon with Ambassador Romulo I had requested a member of my staff to look into the matter and give me some ideas.[3] I suggest that you may wish to tell Ambassador Romulo that while we can make absolutely no commitment at this time to any form of organization, nevertheless we would be receptive to any further concrete suggestions he might wish to make, and that we would give them serious consideration.[4]

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[3] Apparently Charlton Ogburn, Jr., Regional Planning Adviser in the Bureau of Far Eastern Affairs. In a memorandum of Aug. 19 to Allison on the subject of Pacific association, Ogburn stated:

"It would seem to me that the most practical and promising approach to the formation of a 'general consultative Pacific body' would be for us to engage in more extensive consultation through existing diplomatic channels with the Asian-Pacific nations. To create a consultative body, it is first necessary, I believe, to have the habit of consultation. (An organization does not create similarity of interests and points of view; the reverse is the case.) The debate on an Asian-Pacific association appears to me to concern itself too much with the shadow or show of consultation and not with the fact of consultation. I have been arguing for several years that we ought to take the Asian governments much more into our confidence and our councils than we have done and give them a larger voice in the decisions we make which must affect their fate, even to the extent of adopting courses of action which, while against our judgment, are strongly endorsed by them. This would be genuine consultation and would require no special apparatus." (790.5/8-1152)

[4] The conversation held between Acheson and Romulo on Aug. 12 is summarized in telegram 617 to Manila, Sept. 4, not printed here. (796.5 MSP/9-252)

490.008/8-1452

Memorandum of Conversation, by the Director of the Office of Philippine and Southeast Asian Affairs (Bonsal)

TOP SECRET [WASHINGTON,] August 14, 1952.

Subject: Arms Traffic in Southeast Asia

Participants: Mr. Tomlinson, Counselor, British Embassy
Mr. Bonsal, PSA

I asked Mr. Tomlinson to come in today with further reference to the British Embassy's *Aide-Mémoire* of April 21, 1952,[1] his conversation of May 2 with Mr. Lacy [2] on the above subject and to the material furnished by the British Intelligence Bureau to us on the above subject.[3]

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[1] *Ante*, p. 78.

[2] See the memorandum of conversation, p. 85.

[3] Not found in Department of State files.

I told Mr. Tomlinson that the latter material had been carefully examined by our intelligence people. I said that we had been struck by the clear and useful organization of the information contained therein but that we were still not convinced, with particular reference to the Indonesians, that any evidence had been presented to us which would indicate that any Southeast Asian governments were stockpiling arms and munitions in such quantities or at such a rate as to warrant us in setting up the machinery proposed in the British *Aide-Mémoire*. I said that I thought that in the particular case of Indonesia the question with which we are probably confronted at the present time is one of knowing whether or not the Indonesian Government has the necessary resources including arms and munitions to cope with subversive activities in that country. I added that I, of course, was aware of the possibility of illegal traffic and the theft of government-owned stores but that these possibilities were inherent in the situation and could not be dealt with through international controls at the source of the arms and munitions along the lines proposed by the British.

Mr. Tomlinson asked me whether we proposed to answer the British *Aide-Mémoire* along the lines set forth above. I said that I hesitated to do so until I was quite sure that we had examined all of the evidence and considerations which led the British to make their proposals. I said that it was difficult for me to explain to myself the apparent divergence in our points of view and that I thought that we would probably both wish to consider the matter further before finalizing the US position.

Mr. Tomlinson agreed that he would communicate further with London on this subject. He added that of course it would be desirable, even if there were no present evidence of dangerous stockpiling by the Indonesian or other Southeast Asian governments, to take measures so that we would be in a position to detect and deal with such stockpiling should it occur.[4]

(In my discussion with Mr. Tomlinson I had before me a one-page memorandum entitled "Indonesia's Military Supply Position" dated August 7, 1952, and prepared at the Department's request by the Production Division, G-2, Department of the Army "at the informal request of the Department of State".)[5] The concluding paragraph of this report reads as follows:

"5. The Indonesian Army at present is estimated to total 217,000 men, but has been unable to maintain an adequate state of internal security, in the face of guerrilla operations by numerous dissident groups, including Communist and Moslem extremist factions. It is of interest to note that internal security problems and normal defense expenses have resulted in appropriating about 35 percent of the total national budget to defense expenditures. In view of the poor condition of most of the equipment and supplies acquired during and immediately after the revolutionary period, the lack of technical experience in maintaining and serving military equipment, and shortages of spares and replacement parts, the Indonesian Army military supply position cannot be considered satisfactory despite the Government's strenuous efforts to purchase new equipment abroad."

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[4] No record of further discussion of the *aide-mémoire* of Apr. 21 has been found in the Department of State files.

[5] Not found in Department of State files.

790.5/8-1552

Memorandum of Conversation, by the Deputy Director of the Office of British Commonwealth and Northern European Affairs (Foster) [1]

SECRET [WASHINGTON,] August 15, 1952.

Subject: Arrangements for Military Consultation under the ANZUS Council.

Participants: Mr. Charles A. Sullivan, Chief, Far Eastern Section, Office of Foreign Military Affairs, Department of Defense
Mr. Andrew B. Foster, Deputy Director, BNA

Mr. Sullivan, member of the U.S. delegation to the recent meeting of the ANZUS Council at Honolulu, dropped in this afternoon and we talked for three-quarters of an hour about the meeting. Mr. Sullivan said that he had attended a good many international conferences and had never known one that was so successful. He expressed warmest admiration for the way the Secretary had handled things and he said that as far as he was any judge the Australians and New Zealanders went home happy. He said he fully realized that the Secretary had had an extremely difficult problem in persuading the Australians and New Zealanders to accept the arrangements proposed by the Department of Defense in connection with military consultation. He added that he was grateful to have been included in the delegation and felt indebted to the Secretary and all other members for their kindness to him.

Mr. Sullivan remained in Hawaii for several days after the departure of the U.S. delegation on August 8 and engaged in detailed discussions with Admiral Radford and the latter's staff in connection with the implementation of the arrangements for military consultation. Mr. Sullivan emphasized that in his opinion Admiral Radford intended to establish a really effective relationship with the Australians and New Zealanders and had already taken several steps toward that end. Mr. Sullivan said that the Admiral clearly believed that there should be joint planning with the other two members of the Council and was taking his responsibilities in this connection seriously.

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[1] The source text is marked "Not for distribution outside the Department."

Mr. Sullivan said that he participated in the preparation of a message[2] which Admiral Radford and his staff had drafted and in which the Admiral put to the JCS his views and recommendations concerning the consultation arrangements. He added that the Admiral had indicated that he considered the JCS formula of May 1952[3] inadequate for the job ahead. (Evidently the Admiral's message urges a more effective arrangement than would be possible under a literal interpretation of the JCS formula.)

Mr. Sullivan said that since his return to Washington he had talked with various interested officers in the Pentagon concerning the Honolulu meeting. He mentioned particularly Mr. Frank Nash (who planned to mention Mr. Sullivan's report to General Bradley), Admiral Austin and Admiral Burke.[4] Mr. Sullivan said that these officers were sympathetically inclined and, he believed, would support Admiral Radford's recommendations. He said he had talked also with members of the Purple (Far East) Team of the JCS organization but was not as sanguine concerning their attitude. (Mr. Sullivan seems to feel that Admiral Radford has his heart in the enterprise and means to do everything he can to further it. The fact remains, of course, that unless the Admiral is successful in persuading the JCS to take a more responsive position it will be difficult for him to accomplish much.)

Mr. Sullivan said that the Admiral had in mind, among other things, discussions with the Australians and New Zealanders concerning military plans for the defense of Southeast Asia. Mr. Sullivan added that Mr. Nash had said that that was fine but that it would be desirable to relate such discussions with the five-power discussions in which Australia and New Zealand would participate. The problem was one of timing, and Mr. Nash thought that Admiral Radford's discussions should be scheduled appropriately in relation to the five-power talks.

Mr. Sullivan told me that Admiral Radford had said several things to him which indicated the profound impression the Secretary had made upon him. Mr. Sullivan expressed the opinion that the Secretary's handling of the meeting and particularly the "round-up" was chiefly responsible for the Admiral's intention to make something real out of the consultative relationship with Australia and New Zealand on the military side.

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[2] See telegram DTG 090332Z, dated Aug. 9, p. 204.

[3] Incorporated in the U.S. notes to Australia and New Zealand of May 13; see the editorial note, p. 86.

[4] Rear Adm. Bernard L. Austin, Director for International Affairs in the Office of the Deputy Chief of Naval Operations (Operations); Rear Adm. Arleigh A. Burke, Director for Strategic Plans in the same office.

Mr. Sullivan promised to keep me informed concerning developments in the Pentagon.

I expressed our appreciation to Mr. Sullivan for having brought us so fully up to date and told him how glad we were to have had him with us at Honolulu.

I took the occasion to tell Mr. Sullivan that Mr. Laking, Counselor of the New Zealand Embassy, had told me this morning that the Embassy was sending us a formal note to tell us that the New Zealand Government had appointed Major General W.G. Gentry, Chief of the General Staff (who attended the Honolulu meeting), as its military representative accredited to the Council. I mentioned that Mr. Laking had remarked that the ranking officers of the Royal New Zealand Navy and the Royal New Zealand Air Force are both British officers seconded from the Royal Navy and the RAF, respectively; he, Laking, had said he was glad that a "true New Zealander" had been appointed to this position.

(In view of the obvious embarrassment that would be caused Admiral Radford and Mr. Sullivan if Mr. Sullivan's very frank statements to me became known to officers of the Department of Defense, it is requested that this memorandum receive special handling and not be distributed or discussed outside the Department.)

790.5/8-2052: Telegram

The Acting Secretary of State to the Embassy in the United Kingdom [1]

TOP SECRET WASHINGTON, August 20, 1952—7:20 p.m.

1221. Re London's 5999 Jun 28,[2] rptd Paris 2550, Saigon 47. Fol msg shld be conveyed Brit and Fr FonMins:

"Dept of State has given careful consideration to paper drafted Jun 28 in London on *ad referendum* basis as polit guidance for proposed *ad hoc* mil conversations between US, UK, Fr, Austral and

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[1] Sent also to Paris; repeated for information to Canberra, Saigon, and Wellington.

[2] *Ante*, p. 143. A letter to the Secretary of State, Aug. 22, from Deputy Secretary of Defense Foster indicated that further discussions between State and Defense representatives (concerning the proposed five-power talks) had taken place subsequent to the JCS memorandum of Aug. 5 to the Secretary of Defense (p. 184), and that the formula set forth in telegram 1221 had received JCS concurrence on Aug. 20. (751G.5/8-2252)

NZ to consider mil courses of action to be taken in the event of armed Chi aggression against SEA.

Dept of State is of the opinion that polit factors set forth in paper wld be taken into consideration by this govt in determining, jointly with other interested govts, approp courses of mil action in the event of armed Chi aggression against SEA. Nevertheless, consideration by mil reps of polit factors of this nature in a survey of possible mil courses of action wld run serious risk of removal from consideration at mil level of some possible courses of action.

Govt of US believes that it wld be most useful for five govts concerned to have before them a purely mil analysis of all mil courses of actions which mil capabilities of powers concerned wld make possible in the event of Chi armed aggression to cause the Chi to cease their aggression. This survey shld include a comprehensive statement of the mil advantages and disadvantages involved. The decision as to what mil courses of action will be taken is, of course, one for later governmental determination on the basis of all relevant considerations at the time.

The Govt of US is prepared to designate a mil rep to embark on these mil conversations on the basis suggested herein in the near future and suggests that they begin Sep 8 in Wash. Recommendations of the mil reps will be made to their respective Chiefs of Staff." [3]

Dept is briefing Fr and Brit Embs here re above. It is assumed Austral and NZ Govts will be approached by UK.[4]

Bruce

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[3] In a memorandum of Sept. 9 to the Secretary of State, Allison indicated that France and the United Kingdom had both accepted this proposal formally, and that Australia and New Zealand had done so informally through the United Kingdom. However, the date Sept. 8 had proven inconvenient (the talks began on Oct. 6). Allison concluded: "We are informed by the British Counselor that London's telegram instructing the Embassy to accept our basic proposal for the conversations expressed keen disappointment at the fact that they were to be held without the diplomatic terms of reference drawn up following the last Foreign Ministers meeting and trusted that this would not prevent the conversations from being more productive than were those of last year." (790.5/9-952)

[4] In a memorandum to Allison of Aug. 22, Philip W. Bonsal, Acting Director of the Office of Philippine and Southeast Asian Affairs, stated that at the former's suggestion he had informally furnished copies of this telegram to members of the Australian and New Zealand Embassies. "Mr. [R.H.] Wade [First Secretary of the New Zealand Embassy] raised the question of whether New Zealand would be present at the conversations as an observer as was the case last time or as a participant. I said that I had no definite information on this subject which would be a matter for the determination of the New Zealand Government. I made it clear to Mr. Wade that I was merely furnishing him with information, not conveying an invitation." (790.5/8-2252)

790.5/8–2152

Memorandum of Conversation, by the Assistant Secretary of State for Far Eastern Affairs (Allison)

CONFIDENTIAL [WASHINGTON,] August 21, 1952.

Subject: Pacific Pact

Participants: Mr. John M. Allison, Assistant Secretary of State for Far Eastern Affairs
Dr. You Chan Yang, Ambassador, Korean Embassy
Mr. Pyo Wook Han, Political Counselor, Korean Embassy
Mr. Kenneth T. Young, Director, Office of Northeast Asian Affairs
Mr. H.O.H. Frelinghuysen, NA

At his request, Ambassador Yang called on me this afternoon to discuss a variety of subjects, including a Pacific Pact.

The Ambassador emphasized the importance which his Government attached to the formation of a Pacific Pact which would embrace all nations in the Far East. He expressed his Government's regret that it appeared that we were willing to ally ourselves in such a Pact only with Australia and New Zealand. He said that he had heard the comment made that this was a "white alliance" and would never include the yellow race.

I informed the Ambassador that the security arrangements between this Government and the Australian and New Zealand Governments had nothing to do with a Pacific Pact, but were concerned only with the security of the three countries involved. I told the Ambassador that we had always been sympathetic with the idea of a Pacific Pact and that I thought that eventually it would become a reality but that at the present time it was premature to expect one to be established. I pointed out the difficulties created by the peculiar relationships existing between the nations which would be concerned in any such Pact. I called to the Ambassador's attention the tensions that existed between some of these countries, particularly between southeast Asia and Japan and indicated that a Pact would not be very effective without Japan. I pointed out as another example failure of Burma and the Philippines to recognize the Indochinese States and Burma's recognition of Communist China. I said that this Government would continue to support the idea of a Pacific Pact but that I thought that the Asian nations themselves must get together to initiate it. The Ambassador while recognizing the difficulties involved endeavored to minimize them and strongly urged that we take action to form an all-embracive alliance stating his Government's belief that if given the chance all nations would gradually participate and resolve their differences of opinion.

790.5/9-252

The British Embassy to the Department of State [1]

SECRET AND PERSONAL

TEXT OF A MESSAGE FROM MR. EDEN TO MR. ACHESON

I am grateful for the full information about the proceedings of the ANZUS Council meeting which the United States Government have supplied.

2. I note that the question of United Kingdom association with the Council and the Military Committee was fully discussed and that it was considered that the difficulties involved would outweigh the advantages. This decision was apparently based on the argument that if the United Kingdom were admitted to a special form of association with the Council or the Military Committee other Governments particularly France, would claim, and have to be granted, a special status; and that the association of the United Kingdom alone would cause dissatisfaction to other Governments in the area.

3. I fear that I cannot accept the validity of these arguments which betray a misunderstanding of the grounds for the United Kingdom's claim to be represented on the Organisation.

4. I admit that if the United Kingdom claim were merely based on the strength of British interests in Malaya and South East Asia generally, the French and the Dutch might put forward similar claims for consideration. I am also well aware of the special relationships between the United States on the one hand and the Philippines and Japan on the other.

5. I must, however, repeat with emphasis that the United Kingdom relationship with Australia and New Zealand is in a quite different category. In particular on the military side the strategic thinking and planning of the Chiefs of Staff of the two countries is based on the closest liaison with the United Kingdom Chiefs of Staff. Australia and New Zealand are both immediately concerned in the defense of the Middle East and of Singapore and Malaya, which remain nevertheless primarily United Kingdom responsibilities. The defense in war of the ANZAM region—which includes Malaya and the South Pacific up to the Gilbert and Ellice Islands and Fiji—is the responsibility of the Australian Chiefs of Staff

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[1] Note handed the Secretary of State by Sir Oliver Franks the evening of Sept. 2.

acting jointly with the United Kingdom and New Zealand Chiefs of Staff. Above all, if either Australia or New Zealand is attacked, the United Kingdom will at once and without question be at war with the aggressor; this is not the case as regards France, Holland, the Philippines or any other country. This last consideration outweighs all the others and is, in my view, quite conclusive.

6. It will, I am afraid, be extremely difficult for me to explain in Parliament the exclusion of the United Kingdom from both the ANZUS Council and the Military Committee. I understand that the Council agreed to keep the question of United Kingdom representation under review. I do not suggest that a further meeting of the Council should be called in the near future specifically to reconsider this question; I should hope instead that in the light of the above considerations you would find it possible to review the matter in consultation with Mr. Casey and Mr. Webb, to whom I am sending copies of this message, and that it could be arranged for a United Kingdom representative to attend the forthcoming meeting of the ANZUS Military Committee.[2]

WASHINGTON, 2nd September 1952.

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[2] In a memorandum of Sept. 3 Kitchen wrote: "the Secretary told me this morning that in handing the message to the Secretary Sir Oliver remarked that Mr. Eden felt very strongly in this matter and that Sir Oliver had nothing to add himself. The Secretary explained the various reasons why all three of the ANZUS countries had reached the decision not to invite the U.K. to participate in ANZUS and pointed out that in practice the British would be very well informed from the standpoint of military planning because of: (1) the forthcoming joint talks regarding the defense of Southeast Asia, and (2) U.K. participation in the Defense Council at Melbourne." (790.5/9-352)

790.5/9-352

Memorandum of Conversation, by the Deputy Director of the Office of Philippine and Southeast Asian Affairs (Gibson)

TOP SECRET WASHINGTON, September 3, 1952.

Subject: Proposed Tripartite Declaration of Intention Concerning Southeast Asia

Participants: Mr. Millet, Counselor of French Embassy
FE—Mr. Allison
PSA—Mr. Gibson

Mr. Millet called on Assistant Secretary Allison today at his own request. He stated that the Embassy had just received an instruction from Paris to ask the Department to give urgent consideration to the French proposal, which has already been made informally,[1] that a tripartite declaration of intent concerning Southeast Asia be issued by France, Great Britain and the United States. Mr. Millet explained some of the background of the proposal, i.e., that it had originated in Saigon and had been carried from there to Singapore by Letourneau, that Letourneau had suggested it to Malcolm MacDonald, [2] that the latter's reaction was favorable, that Letourneau brought the suggestion to Paris where it was well received, and, finally, that the Embassy had been instructed to take it up with the Department. It was stated that the French Embassy in London had been instructed at the same time to take it up with the British.

According to the French conception, the declaration would be a declaration of solidarity and not a warning. Although its provisions were not discussed in detail (to be furnished later) it was stated that it should be short and simple and concern itself primarily with the fact that our intentions in Southeast Asia were peaceful and that we were determined to support the newly sovereign governments of the area in maintaining their independence. The French hoped that as many Asian powers as possible can be brought to participate in the declaration with the three Western powers. They regard the timing of the declaration as of primary importance, knowing that the Peiping conference is scheduled to take place in late September.[3] In order to be effective the declaration should be made before the Peiping conference convenes.

In reply, Mr. Allison stated that he thought the suggestion had merit and assured Mr. Millet that we would give it our attention. He commented concerning its connection with the coming military conversations regarding the defense of Southeast Asia which the UK, France, Australia, New Zealand and the United States will take part in on September 22.[4] Although he agreed that the declaration would differ from the warning we have proposed in the past, it was nevertheless inevitable that it should be considered in conjunction with it. He agreed that there was something to be said for the fact that we found ourselves constantly on the propaganda defensive in the Far East and that this might be an opportunity for us to take the offensive for a change. He expressed the opinion that if the declaration were agreed upon it might be effective in attracting attention away from the military conversations and the possible accusation that, here again like ANZUS, we were holding a conference regarding the defense of an area in which the people living in the area were not participating. Finally, Mr. Allison suggested that it would be useful, in considering the matter, if Mr. Millet could give us a draft text of such a declaration.

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[1] The French proposal was made on July 31 by Millet in a conversation with Philip W. Bonsal, Acting Director of the Office of Philippine and Southeast Asian Affairs. He also proposed the establishment of a permanent tripartite military organization for Southeast Asia. (790.5/7-3152)

[2] British Commissioner General for Southeast Asia, resident in Singapore.

[3] The Peace Conference of the Asian and Pacific Regions convened at Peking in the first week of October.

[4] These conversations did not begin until Oct. 6. However, the Military Representatives to the ANZUS Council met at Pearl Harbor, Sept. 22-25.

After agreeing to Mr. Allison's suggestions and stating that he would furnish us with the text suggested within the next few days, Mr. Millet took his leave.[5]

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[5] No such text has been found in Department of State files. Telegram 1960 to London, Sept. 18, reads in part:

"Re Fr proposal for tripartite declaration, project dormant with declining enthusiasm generally, even on part of Fr who have as yet failed to provide text for our consideration as originally suggested and agreed to on Sep 3." (790.5/9–252)

790.5/9–452

The Secretary of Defense (Lovett) to the Secretary of State

TOP SECRET WASHINGTON, September 4, 1952.

DEAR MR. SECRETARY: There is inclosed a draft message from the Joint Chiefs of Staff to CINCPAC which is, in effect, a directive concerning the forthcoming initial meeting of the Military Representatives to the ANZUS Council, tentatively scheduled to be held 22 September 1952.

The Joint Chiefs of Staff, after reviewing information received from CINCPAC (msg DTG 090332Z, Aug 52, attached as Appendix "B")[1] with respect to his understanding of the responsibilities of the Military Representatives accredited to the ANZUS Council, believe that Admiral Radford interprets the agreed terms of reference of the Military Representatives and the understandings reached at the initial meeting of the ANZUS Council as committing the United States to an arrangement under which the Military Representatives would engage in the joint development of military plans. The Joint Chiefs of Staff consider that such a view exceeds the intent and purpose of the machinery for military consultation in support of the ANZUS Council, as expressed in the approved State–Defense negotiating paper on this subject. Accordingly, the Joint Chiefs of Staff have prepared a proposed message for dispatch to CINCPAC amplifying the views of the Joint Chiefs of Staff. (Attached Appendix "A")

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[1] Dated Aug. 9, p. 204.

Your concurrence or comments with reference to possible political connotations concerning the subject draft message to CINCPAC would be appreciated.

Sincerely yours,

ROBERT A. LOVETT

Appendix "A"

Draft Message From the Joint Chiefs of Staff to the Commander in Chief, Pacific (Radford)

TOP SECRET WASHINGTON, September 4, 1952.

1. There is no change in the views of the Joint Chiefs of Staff as reflected in the State–Defense negotiating paper which was accepted by Australia and New Zealand during the ANZUS Council Meetings. As indicated in their memorandum for the Secretary of Defense dated 30 July 1952 [2] (copy of which was furnished you by Chief of Naval Operations), the Military Representatives should not be regarded as constituting an organization for the development of combined regional military plans. No action should be taken which might lead to even a limited Combined Chiefs of Staff organization for the Southwest Pacific. The organization developed should not serve as a basis by which pressure could be exerted to commit the United States to a military effort which is disproportionate to its over-all responsibilities and commitments. There should be no tendency to reduce without compensating military advantage, United States military freedom of action or to give Australia and New Zealand the power of veto over the type and scope of plans evolved. Accordingly, the Joint Chiefs of Staff prefer that the Military Representatives function in a consultative arrangement which will assist them to consider and make recommendations to their respective Chiefs of Staff on the measures which might be taken to increase mutual assistance and self-help looking to the improvement of the defense of Australia and New Zealand and their territories as related to the over-all strategic defense of the Pacific.

2. The Joint Chiefs of Staff believe that in the event of general war the primary strategic responsibility for the Pacific—other than defense in a local sense of the territories and waters of certain nations—inevitably must rest with the United States, as was the case during World War II. In view of the foregoing considerations, the Joint Chiefs of Staff would not agree that the Military Representa-

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[2] Not printed, but see footnote 2, p. 165.

tives should enter into any arrangement under which Australia and New Zealand might expect to have an equal voice with the United States in the preparation of a combined plan. Neither should there be established an organization or organizations subsidiary to or supporting the Military Representatives and charged with the preparation of such a plan.

3. The Joint Chiefs of Staff agree with your understanding that planning information will be exchanged. This information must be on a broad basis and confined to that which is necessary to insure that individual national plans developed in connection with the defense of Southeast Asia provide for an appropriate degree of coordination, and to insure the exploration of ways and means of increasing the mutual effectiveness of the defensive effort of these countries in the Southwest Pacific. Further, the Joint Chiefs of Staff agree that the Military Representatives, after consultation among themselves, will submit to their respective Chiefs of Staff recommendations on possible courses of action in the event of further Communist aggression in Southeast Asia short of general emergency. The consultative relationship of the Military Representatives should lead only to the development of national plans which are so coordinated that they serve to increase the mutual assistance and self-help of the nations signatory to the ANZUS Treaty. Although planning information may be exchanged by the Military Representatives the Joint Chiefs of Staff have established a general policy that United States plans shall not be given to any foreigner nor should any foreigner participate directly in development of United States plans. This policy would also apply to the Military Representatives of Australia and New Zealand.

790.5/9-552

The Deputy Under Secretary of State (Matthews) to the Secretary of Defense (Lovett) [1]

TOP SECRET [WASHINGTON,] September 5, 1952.

DEAR MR. SECRETARY: Reference is made to your letter of September 4, 1952,[2] transmitting a draft message from the Joint Chiefs of Staff to CINCPAC on which the concurrence or comments of the Department of State were requested with reference to possible political connotations of the draft message. The message constituted, in effect, a directive concerning the initial meeting of the

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[1] Drafted by Ambassador Jessup.

[2] *Supra.*

Military Representatives to the ANZUS Council, tentatively scheduled to be held September 22, 1952.

The draft message to CINCPAC contained in Appendix "A" appears to the Department of State to be in conformity with the United States proposal regarding military machinery (ANZUS 1/5, August 6, 1952)[3] except that paragraph three might be subject to some misinterpretation. I understand that the basic policy stated at the conclusion of this paragraph properly prohibits communicating to any foreigner United States plans which I understand to mean the war plans developed by the Joint Chiefs of Staff. I note, however, from the earlier part of the paragraph the Joint Chiefs are in agreement with Admiral Radford that planning information will be exchanged. I assume that these instructions therefore would give the United States Military Representative to the ANZUS Council sufficient latitude in exchanging planning information to permit the development by each of the three member countries of national plans which would result in the proper coordination of the forces of the three countries in case the plans needed to be put into effect. I assume that acting under these instructions the United States Military Representative would be able to maintain with his Australian and New Zealand colleagues that degree of frankness and mutuality of interest which was developed at the recent meeting of the ANZUS Council and which in the opinion of the Department of State is of very great importance in our relations with those two countries. If the Australian and New Zealand Military Representatives obtained a contrary impression, I believe it would have unfortunate political repercussions in our relations with these two countries.[4]

Sincerely yours,

H. FREEMAN MATTHEWS

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[3] Not printed, but see the section headed "U.S. Paper" in HON MIN–6 of Aug. 6, p. 198.

[4] In a letter to the Secretary of State dated Sept. 25, the Secretary of Defense indicated that he interpreted Matthews' letter as concurrence and wrote:

"The Joint Chiefs of Staff have been informed concerning your comments. They have expressed no objection and have forwarded your views to Admiral Radford for his information." (790.5/9–2252)

The JCS forwarded both the instruction (substantively unchanged from the draft forwarded to the Department on Sept. 4) and Matthews' comments to Admiral Radford on Sept. 15 in telegrams JCS 918517 and JCS 918528, respectively. (JCS files, CCS 381 (2–18–51))

790.5/9-1052

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

CONFIDENTIAL [WASHINGTON,] September 10, 1952.

Subject: UK Participation in ANZUS Military Representatives Meeting in Honolulu on September 22.

Participants: Mr. George Laking, Counselor, New Zealand Embassy
Mr. L.J. Lawrey, First Secretary, Australian Embassy
Mr. H. Raynor, Director, BNA

After discussing the question of the reply to be made to Mr. Eden's personal message to the Secretary [1] advocating some form of participation in the meeting of the ANZUS, meeting in Honolulu September 22, with Messrs. Perkins and Allison I asked Messrs. Laking and Moodie to call to discuss this matter. Mr. Moodie asked if he could send Mr. Lawrey to which I agreed.

I told them that we had received a further British request [2] for some form of participation in ANZUS which specifically requested representation at the September 22 meeting of the Military Representatives. I said it was my understanding that Mr. Eden had sent similar messages to Mr. Webb and Mr. Casey.

I said that we had considered this problem carefully and while the British in a certain respect had made a strong case we felt that the time had not arrived when it was advisable to change the decision which had been reached on this question at the recent meeting of the Council in Honolulu. I said, however, that before the Secretary replied to Mr. Eden's personal message that we wished to consult Mr. Casey and Mr. Webb on it and the purpose of this discussion was to ask if the two Embassies would report this conversation to their governments and let me know the reaction obtained as soon as possible as it was important to reply to Mr. Eden promptly. I said we assumed, inasmuch as this request came so shortly on the heels of the discussion and decision reached at Honolulu that both governments would agree with us that we should maintain the Honolulu position.

Mr. Lawrey made no comments of significance except to confirm that Mr. Casey had received a similar message from Mr. Eden.

Mr. Laking pointed out that this was a very difficult problem for Mr. Webb as he believed the New Zealand Government would be loath to turn down a second request on this matter from the U.K. He asked if the factor that ANZAM arrangements would be on the agenda could possibly be held to constitute a matter of special interest to the U.K. In this connection he referred to the Secretary's remarks to Mr. Menzies that in due course perhaps some form of U.K. participation could be developed by bringing them in, for instance, when something of special interest was apt to come up and then broaden the practice. I said in reply that if the time were ripe to begin such a process I thought the ANZAM item might be the type of thing which could be utilized for that purpose. I said, however, that because of the broader general Far Eastern considerations that we felt that this was not the time to begin such a process. I said that as it was there had been a certain amount of adverse reaction in the Far East in the Philippines, for instance, to the Council meeting in Honolulu.

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[1] Dated Sept. 2, p. 213.

[2] Documentation on this second request has not been found in Department of State files.

Mr. Laking and Mr. Lawrey both promised to report home and thought they would be able to obtain prompt replies for us. In the course of the conversation I told them we intended to inform the British Embassy that we had reconsidered the question and felt that the Honolulu decision should be maintained but that the Secretary was referring his reply to Mr. Eden until we have consulted Mr. Casey and Mr. Webb.

I also said that assuming we all agreed to maintain the Honolulu position on U.K. non-participation that we assumed the Australian and New Zealand Military would see that the British Military were fully informed on the September 22 meeting.[3]

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[3] In memoranda of telephone conversations held Sept. 12, Raynor stated that Moodie of the Australian Embassy had learned that Minister Casey, while anxious to meet the difficulty of the United Kingdom on the matter, could think of no practical means of giving effect to Eden's desires at that stage, and that Laking had received word that Minister Webb agreed entirely that the United Kingdom should not be invited to the meeting of ANZUS military representatives. (Both 790.5/9-1252)

During a meeting held Sept. 18 with F.S. Tomlinson and R.H. Belcher, Counselor and First Secretary of the British Embassy, respectively, Raynor handed them the Secretary's reply to Eden's message. Text of the Secretary's message has not been found in Department of State files but in a memorandum of conversation on the subject, Raynor stated: "I told Messrs. Tomlinson and Belcher that I could assure them that Mr. Eden's request had been sympathetically considered but that the more we thought about this question the more firmly convinced we were that our position on this matter for the time being was the correct one. I referred to the adverse criticism in the Philippines and elsewhere in the Far East of even the ANZUS meeting of the three of us in Honolulu." (790.5/9-1852)

790.5/1-253

Agreed Record of Proceedings of the First Meeting of the Military Representatives to the ANZUS Council, Held September 22-25, 1952 [1]

SECRET PEARL HARBOR, T. H., [September 25?,] 1952.

The first meeting of the Military Representatives to the ANZUS Council convened at 9:50 a.m. on 22 September 1952 at Commander in Chief, U.S. Pacific Fleet Headquarters, Pearl Harbor, T.H.

It was moved by General Rowell, and seconded by General Gentry, that Admiral Radford would act as Chairman for this meeting.

The Military Representatives to the ANZUS Council agreed to the following:

A. *Rules of Procedure*

1. *Times for Meeting*

The Military Representatives will meet annually immediately prior to the ANZUS Council meetings and at such other times as requested by the Council or as requested by a Military Representative and agreed to by the others.

2. *Seat of Meeting*

The seat of meeting will be rotated between Pearl Harbor, Melbourne, and Wellington. When so requested by the Council they will meet in Washington, Canberra, or Wellington in conjunction with regular annual Council meetings.

It is considered, however, that the rotation need not adhere rigidly to the above stated order.

3. *Participants*

(a) The accredited Military Representatives or properly designated alternates will attend.

(b) Technical advisors and Staff Officers of the Military Representatives may form working committees, and may attend sessions of the meetings as advisors as required by the Military Representatives.

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[1] This document is the enclosure to a memorandum of Dec. 15, 1952, to the Secretary of Defense, signed for the Joint Chiefs of Staff by General Bradley. Both were transmitted to the Department under a covering letter of Jan. 2, 1953 from Acting Secretary Foster to Acheson. The JCS memorandum reads in part: "The content of the Agreed Record of Proceedings is generally within the framework of the agreed State-Defense negotiating paper on this subject." (Reference is to HON D-2/1 of July 30, p. 165.) In his letter of Jan. 2, Foster concurred in the JCS comments.

The representative of Australia was Lt. Gen. Sydney F. Rowell, Chairman of the Australian Chiefs of Staff Committee. New Zealand's representative was Maj. Gen. W.G. Gentry, Chief of General Staff. Admiral Radford represented the United States.

4. *Procedures at Meetings.*

(a) *Chairman.* The Military Representative of the host nation of each meeting shall be the Chairman.

(b) The host nation will arrange for the provision of the Secretariat for the meeting.

(c) Verbatim minutes of proceedings will not be kept. A record of proceedings will be kept and copies thereof furnished each participant.

(d) The Basic Terms of Reference for the Military Representatives are:

(1) Advise the Council on problems of military cooperation which may arise in connection with the application of the ANZUS Treaty.

(2) Consider and make recommendations to their respective Chiefs of Staff on the measures which might be taken to increase mutual assistance and self-help, looking to the improvement of the defense of Australia and New Zealand and their territories as related to the over-all strategic defense of the Pacific.

(3) Furnish to the Council those recommendations which have received approval of their respective Chiefs of Staff.

(e) Press releases appropriate to the course and conclusion of the meetings will be prepared under the direction of the Chairman for consideration of the meeting prior to release.

(f) The normal channel of communication on matters of concern to the Military Representatives will be through the Liaison Officers when assigned to Pearl Harbor, Melbourne, and Wellington, or through existing channels.

5. *Liaison Officers.*

Liaison Officers may be assigned for the purpose of exchanging information and providing continuity of effort among the three Military Representatives. These Liaison Officers will not be higher in rank than field grade (i.e., Colonel). It is considered that for the present they need not be assigned and stationed on a continuous basis but rather on a "when necessary" basis.

6. *Staff Planners*

(a) Staff Planners will be designated by the Military Representatives. Liaison Officers may fulfill these functions.

(b) The Staff Planners will carry out such planning directives as are laid down by the Military Representatives.

(c) Staff Planners will normally meet at Pearl Harbor at such times as agreed upon by the Military Representatives.

(d) The U.S. Military Representative will furnish clerical and material assistance required.

(e) A Chairman will be designated by the U.S. Military Representative and will be responsible for the coordination of the work of the Staff Planners. The Chairman will forward the completed results of such planning directives to the Military Representatives.

(f) Meetings of the Military Representatives to act upon the work of the Staff Planners will be arranged if approval of the Military Representatives cannot be reached through exchange of messages.

B. Determination of Planning Tasks

The Military Representatives will undertake the following *immediate* planning tasks:

1. A review of the military situation in Southeast Asia. This is essentially an intelligence estimate to be used in planning procedures.
2. Develop a strategic estimate on Southeast Asia.
3. Determine possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in this area short of a general emergency.
4. Recommend to their respective Chiefs of Staff or equivalent those possible courses of action for approval. Upon approval by respective Chiefs of Staff, furnish the Council these approved recommendations.

C. Directive for Staff Planners

Subject to later confirmation, Staff Planners will meet at Pearl Harbor on or about 1 November 1952 to carry out the following planning tasks as a matter of priority:

1. A review of the military situation in Southeast Asia. This is essentially an intelligence estimate to be used in planning procedures.
2. Develop a strategic estimate on Southeast Asia.
3. Determine possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in this area short of a general emergency.
4. For the purpose of these tasks, the Southeast Asia area to be studied will include: Hong Kong, Formosa, Burma, Thailand, Malaya, the Crown Colony of Singapore, British North Borneo and Sarawak, the Sultanate of Brunei, Indo-China (now the independent states of Vietnam, Laos and Cambodia), the Philippines, Portuguese Timor, the Republic of Indonesia, Dutch New Guinea and such other areas as deemed appropriate.

D. Miscellaneous

1. A paper (enclosure (2)) [2] was submitted by the Australian Military Representative entitled "Recognition of the Status of the ANZAM Region as a Possible Theater of War" and made a matter of record.

2. The record of proceedings of the Military Representatives will be made available to the ANZUS Council members and such ex-

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[2] Reference is to Appendix "B". Appendix "A", a list of the 16 participants, is not printed here.

tracts as may be pertinent may be made available to the United Kingdom through normal channels.

3. A very brief statement was prepared for release to the press (enclosure (3)).[3]

The first meeting of the Military Representatives to the ANZUS Council was concluded at 1000 on 25 September 1952.

Appendix "B"

RECOGNITION OF THE STATUS OF THE ANZAM REGION AS A POSSIBLE THEATER OF WAR

PAPER BY AUSTRALIAN MILITARY REPRESENTATIVE

1. The ANZAM Region, which comprises broadly the Australian, New Zealand, and Malayan areas, was delineated by agreement in 1950, between the United Kingdom, Australian, and New Zealand governments as a possible theater in global war in which planning would be conducted in peace.

2. Planning tasks for the defence of the ANZAM Region were agreed between the three countries concerned. These tasks cover a wide range of strategic, service, and related plans, in which considerable progress has been achieved.

3. As a result of the Radford/Collins Conference of February-March, 1951, at which the boundaries of the Region were amended, the United States of America at the Service level now recognize the ANZAM Region for the following naval purposes only:

(a) Escort, convoy routing, and diversion of traffic.
(b) Reconnaissance.
(c) Local defence Anti-Submarine Warfare.
(d) Search and Rescue.

4. In order that ANZAM planning may be linked with the planning of the United States relating to areas contiguous to the boundaries of the ANZAM Region, the Australian Military Representative proposes that the ANZUS Military Representatives take cognizance of the planning which is proceeding for the ANZAM Region and of the organization which has been set up for that purpose. Further, that it be agreed that such ANZAM planning is not in any way inconsistent with the planning to be done under the ANZUS Treaty.

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[3] Reference is to Appendix "C", not printed here.

790.5/9-2952: Telegram

The Ambassador in Australia (Jarman) to the Department of State [1]

TOP SECRET CANBERRA, September 29, 1952—noon.
PRIORITY

120. Embtel 115, Sept 25, Embdes 183, Sept 24.[2] Casey today sent long top secret personal msg to Eden expressing Austral Govt's "concern" about "spate" of London news articles on Brit rep ANZUS. Msg says these "echoed" by press here and "seized by opposition" to embarrass govt.

Msg says gen tenor London arts that US holds out against Brit rep, and Australia, NZ while fundamentally desirous have Brit rep, have bowed US pressure. As matter fact all three ANZUS members in full agreement.

Austral freedom reply to public criticism is limited but same time Austral Govt can not allow self be associated in public mind with implication that US alone carries odium refusal Brit request. Public clamor doubtless based on misconception purpose ANZUS which consultative body only and does not plan for whole Pacific area. Is true wider org needed to accomplish such planning and coming five-power conf may prove step that direction.

Casey concluded by expressing hope Brit views wld be reconsidered and Eden cld "perhaps at appropriate time make public statement" which wld "damp down present agitation".

JARMAN

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[1] Repeated to Wellington for information.

[2] Neither printed.

790.5/9-2952: Telegram

The Secretary of State to the Embassy in Australia [1]

TOP SECRET WASHINGTON, October 2, 1952—4:31 p.m.

69. Provided info contained your 120 [2] obtained in such way as to make it appropriate pls transmit fol personnel [*personal*] msg from me to Casey:

"Dear Dick:

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[1] Drafted by Raynor and initialed for the Secretary of State by Francis E. Meloy, Jr., Assistant to the Director of the Executive Secretariat. Repeated to Wellington for information.

[2] *Supra*.

"Our Emb in Canberra has reported to me the gen nature of a personal msg you have sent to Anthony regarding the recent London press reports about UK participation in ANZUS.

"I, too, have been concerned by this spate of stories out of London fearing that the result will be to exacerbate the situation. I have been especially concerned by the implication that it is the US which is blocking some form of Brit assoc. Your msg shld be very helpful in dispelling that misconception and I deeply appreciate your writing. Amb Jarman has forwarded to me your ltr of Sep 18 commenting on the *Daily Mail* story.[3] I am glad to have the background in your ltr but I do want to say I have not at any time, following our frank discussion of this question in Honolulu, had any question at all as to our seeing the matter in the same light.

"I feel all of us shld take every opportunity to try to put this matter in its proper light. I was questioned on it at my press conference Oct 1 and I hope my answer which Amb Jarman will make available to you will also be helpful.

"With best personal regards,

"Sincerely yours, Dean"

If info contained your 120 obtained in manner making above msg inappropriate pls transmit fol alternate msg from me to Casey:

"Dear Dick

"Amb Jarman has forwarded to me your ltr of Sept 18 commenting on the *Daily Mail* report with respect to the question of the Brit participation in ANZUS. I am glad to have the background contained in your ltr but I do want to say I have not at any time, following our frank discussion of this question in Honolulu, had any question at all as to our seeing the matter in the same light.

"I, too, have been concerned by the recent spate of stories out of London fearing that the result will be to exacerbate the situation. I have naturally been especially concerned by the implication that the U.S. is blocking some form of Brit assoc with ANZUS. I agree with you that we shld take every opportunity to try to put this matter in its proper light. I was questioned on it at my press conference Oct 1 and I hope my answer which Amb Jarman will make available to you will also be helpful.[4]

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[3] Letter to Ambassador Jarman of Sept. 18, enclosed with the Ambassador's letter of Sept. 22, neither printed. (790.5/9-2252)

In his letter Minister Casey had stated that the London *Daily Mail's* correspondent, Ward Price, had erred in stating in a story that Casey had expressed to him surprise and resentment over the exclusion of the United Kingdom from ANZUS discussions.

[4] Acheson had said at the press conference that the ANZUS Council had reached the unanimous conclusion that it was not an appropriate time either to extend ANZUS or to create any broader Pacific arrangement. "We have arrangements with the various countries in the Pacific. We are continually working with our British colleagues on defense plans. They are very closely tied into the Australia and New Zealand planning and it has been our intention, as we stated, to keep all the countries interested in the defense of the Pacific fully abreast of developments." (Department of State, Office of the Special Assistant to the Secretary in Charge of Press Relations, "News Conferences of the Secretary, Verbatim Reports", 1952, No. 27)

"With best personal regards,
"Sincerely yours, Dean"

ACHESON

790.5/10-752: Telegram

The Ambassador in Australia (Jarman) to the Department of State

TOP SECRET CANBERRA, October 7, 1952—4 p.m.

131. Re UK rep ANZUS mtgs. Embtel 130 Oct 6.[1] Emb rep delivered shorter msg Secy to Casey (Deptel 69)[2] and orally expressed Secy's appreciation for Casey msg to Eden. Casey said had just recd acknowledgment from Eden saying reply wld be Churchill to Menzies. Is consequently anticipated reply which expected soon will be unfavorable. Casey said wld like tell Eden when next together he feels Brit deliberately trying to kill ANZUS then added "if I'm able I'm bloody well not going to let them do it".

Since Oct 1 press language this subj less harsh and volume decreased (see Desp 183, Sept 24)[3] but have been several parl questions and govt and official concern undiminished, perhaps even increased. Watt points out will be questions Brit parl on resumption sittings which cld well revive press attn there and here even without artificial stimulation (both he and Casey convinced press arts inspired). He notes also Brit argument reinforced by discussion mil reps mtg SEA def without cognizance five-power talks same subj (he asks self wld it be well mil reps have polit advisers). Austral had hoped centralization SEA discussion in successful five-power talks might be at least partial answer UK ANZUS approach.

Get clear impression from Watt he and Casey think NZ position less firm under Brit pressure than their own[4] and have reason believe Casey has very probably tried dissuade Webb from speaking to Secy in NY on UK status before Casey's arrival.[5]

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[1] This telegram reads as follows:

"Second and shorter version Secretary's msg being conveyed Casey on his return Canberra seventh. This choice because British unaware we saw msg to Eden and not desirable External Affairs records reveal we did. Secretary's appreciation Eden msg will be conveyed orally." (790.5/10-652)

[2] *Supra.*

[3] Not printed.

[4] On Oct. 14, the Embassy in Canberra reported:

"Conversations Watt and Brown indicate Australians now satisfied firmness New Zealand position though week ago they 'were anxious' that score." (Telegram 140; 790.5/10-1452)

Reference is perhaps to A. S. Brown, (permanent) Secretary of the Prime Minister's Department.

JARMAN

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[5] On Oct. 13, Secretary Acheson met with Minister Casey in New York, where both men were attending the Seventh Session of the UNGA (convened Oct. 14). Acheson's memorandum of the conversation is printed *infra*.

Conference files, lot 59 D 95, CF 133

Memorandum of Conversation, by the Secretary of State

TOP SECRET

[NEW YORK,] October 13, 1952.

MEETING WITH THE AUSTRALIAN MINISTER OF FOREIGN AFFAIRS MR. RICHARD CASEY

Mr. Casey called on me this afternoon at his urgent request. He had two matters on his mind, one of which was Anglo-American relations. He referred to the message which he had sent to Eden and which was reported to us through our Embassy at Canberra. He appreciated my message to him. His message had been received by Churchill in Eden's absence and had brought a strong reaction from Mr. Churchill to him, the general tenure of which was that he was an apostate to the Empire. This did not cause him to change his attitude but bothered him because he felt strongly that our attitude in the ANZUS Council was right and he and Menzies had great difficulty in, first, knowing what was the real trouble in London and, secondly, knowing what to do about it. He hoped that during this meeting he might have the opportunity of talking this matter out thoroughly with me because he must surely have a thorough session with Eden.

I told him that I, too, was bothered by the British attitude. In part, I understood some of their attitude which I thought came from being faced by almost insurmountable problems with inadequate means and therefore the desire to find someone who is responsible for their predicaments. I had no answer; but I was ready to discuss the matter with him, not for the purpose of having this circulated throughout the Australian Government but to try to analyze with him, as an old friend who is deeply concerned about the problem, its nature and any possible steps to remedy it.

Mr. Casey said he would be glad to do this and hoped for an early opportunity when we might have an hour or two to give to it.

DEAN ACHESON

790.5/11-1452

Report of the Five-Power Military Conference on South East Asia [1]

TOP SECRET WASHINGTON, October 17, 1952.

[Here follow a summary of contents, a list of representatives (39) at the Conference, a distribution list, and sections of the report titled "Terms of Reference", "Actions Limited to the Area of Aggression Including the Contiguous Areas of China", and "General Operations Against China".]

CONCLUSIONS

General Principle

29. The retention of Southeast Asia within the Allied sphere is considered vital. A resolute defence of the area of aggression is an essential condition of any action to defeat a Chinese Communist aggression. As the present major communist threat is against northern Indo-China, Tonkin is therefore of essential present interest.

Allied Capabilities—Action Limited to the Areas of Aggression

30. Except in the case of Formosa, the forces at present available in each of the possible areas of aggression will not suffice to halt aggression in those respective areas.

31. Local naval blockade of the areas of aggression would not affect the Chinese offensive capability and might lead to pressure on Hong Kong. The effects of local air action in combination with other local naval support is considered separately in the case of each area of aggression.

32. *Tonkin.* Reinforcements restricted to air and naval support only, within conceivable capabilities, would not ensure the retention of Tonkin in the event of a Chinese mass attack. To halt such an attack, timely land reinforcements, amounting to two to four divisions, would be necessary in addition to air and naval support.

33. *Hong Kong.* The Chinese Communists are capable of mounting a mass attack on Hong Kong with only three or four days warning. Successful defence of Hong Kong would require timely re-

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[1] The Conference met in Washington at the Pentagon, Oct. 6–17, 1952. A covering note to the report reads: "In accordance with instructions, the Military Representatives of Australia, France, New Zealand, the United Kingdom and the United States met in Washington on Monday, October 6th, 1952, to consider the defence of Southeast Asia in the event of Chinese aggression." The note is signed by the heads of the delegations, as follows: Air Vice Marshal A.L. Walters for Australia; General Ely for France; Air Commodore James L. Findlay, Air Attaché at the Embassy in Washington, for New Zealand; Air Chief Marshal Elliot for the United Kingdom; and Maj. Gen. J. Sladen Bradley, Deputy Director for Strategic Plans, Joint Staff, for the United States.

The report is filed as enclosure "A" to the memorandum from the JCS to the Secretary of Defense, Nov. 14, p. 239.

inforcement by forces estimated by the United Kingdom at two divisions and naval and air support from carriers and from bases outside the colony. The United Kingdom points out that the bulk of the additional land reinforcements and defensive fighters would have to be located in Hong Kong prior to the commencement of Chinese attack.

34. *Burma.* Chinese forces are believed to be in the immediate vicinity of the border on the Burma Road adequate in strength to launch an attack with little previous warning. The Burmese defence forces might impose a slight delay on the Chinese advance but the effect of this can be discounted. No form of Allied air or naval support in Burma could cause the Chinese to cease an act of aggression against Burma.

35. *Macao.* The threat to Macao is substantially the same as that for Hong Kong. The colony is so small that no effective Allied action could be taken in time to prevent its fall in a matter of hours.

36. *Formosa.* The capability exists for a successful defence of Formosa.

Allied Capabilities—General Action Against China

37. *Sea Blockade.* There is a divergence of views as to the Allied capability of maintaining a full and effective sea blockade with the ships and aircraft now in the theatre, even if they could be spared from their current tasks for this purpose. It is the view of the United States delegation that this capability does exist. This blockade would have no immediate physical effect on a Chinese Communist aggression. It would undoubtedly affect China's economic and industrial capabilities and consequently, in the long term, its war potential. It is likely to lead to pressure on Hong Kong and possibly to clashes with Russian warships. Air and surface ship attacks on ports and coastal shipping might be employed to augment the direct effects of blockade.

38. *Air Action.* The Allies have a capability to undertake general air action against China as a whole, particularly in regard to lines of communication but also including industrial targets as well, which would reduce China's ability to make war.

a. The United Kingdom estimate of the bomber force which these tasks would require for effective implementation far exceeds the total number of light and medium bombers shown in the force tables appended to this paper.

b. The United States position is that the Allies do have the capability of effectively accomplishing any one or all of these air actions, the degree of effectiveness being dependent upon the timeliness and number of aircraft available.

39. It is the opinion of the United States and Australian delegations that Chinese Nationalist forces in Formosa, if made available, represent an important capability for offensive operations against the Chinese Communists. This capability, at present limited, could be progressively developed.

Over-all Conclusions

40. Air, ground and naval action limited only to the areas of aggression and contiguous areas of China offers little prospect of causing Communist China to cease its aggression.

41. The imposition of a total sea blockade, in conjunction with the actions limited to the areas of aggression and contiguous areas of Communist China, might have a significant cumulative effect. This course of action offers little assurance of forcing the Chinese Communists to cease aggression.

42. A combination of all coercive measures including the defense of the areas of aggression, interdiction of the lines of communication, a full sea blockade and air attacks on all suitable targets of military significance in China, insofar as they are within the Allied capabilities, plus such reinforcements in time and scale as may be practicable in the immediate area, offers the best prospect of causing Communist China to cease an aggression.

Conditions to an Effective Military Action

43. Any action taken against Communist China should be swift and effective and so conducted as to show the Chinese Communists the determination of the Allies to cause them to cease aggression.

44. If action is to be prompt, the several participating nations obviously must have plans ready which have been fully coordinated in respect to action to counter the enemy at the actual scene of aggression and in areas immediately contiguous thereto. This coordination, which includes the full exchange of pertinent current intelligence, agreed communication procedures and other information essential to most effective cooperation, may require the setting up of a staff agency so that contacts are maintained and necessary studies continued. The respective Commanders in Chief in the areas concerned should be charged with the earliest implementation of such action as may be appropriate in this regard. The United States delegation is of the opinion that insofar as United States participation is concerned, the United States Commander in Chief in the area now has the machinery for carrying out his part of the coordination necessary.

The Australian delegation, whilst accepting the necessity for coordination, did not express a view upon the machinery which may be required.

[Here follow Appendixes A-K, none printed.]

790.5/10-2052: Telegram

The Ambassador in Australia (Jarman) to the Department of State

SECRET CANBERRA, October 20, 1952—4 p.m.

145. Embtel 139, October 13.[1] Fol is substance remarks to Emb rep by Menzies.

He is allowing two days in Wash en route London Conf[2] and also stop on return. He thinks Brit ANZUS pressure off till after US elections and his London visit. Churchill msg was "stinker". Menzies reply "bit of stinker too" and he notes Churchill seems have taken his advice as to tone of Commons statement. In London Menzies will make some "powerful utterances" (phrase used twice) on ANZUS and seems feel sure he "can handle" Churchill. Asked what next if Brit not convinced he replied only "I'll have to tell them we know where we stand". He did not elaborate or interpret this but Emb rep inferred no change basic Austral position now contemplated even if Brit obdurate. Menzies continued without pause saying some Englishmen have outdated ideas of Empire and feel Commonwealth members must choose between Brit and third country when considering exclusive relationship with latter. Menzies calls this absurd and said Eden "agent provocateur" for this view. Said he has "job of interpretation" in London to make plain to Churchill and Eden there is no question taking sides or drawing away from UK, that US must have most powerful ally possible and therefore US wld want strengthen Commonwealth not weaken it by loosening its internal bonds. He added "and Winston knows no one is more Brit than I am".

As fundamental cause Brit pressure Menzies seemed attach highest importance to offended dignity and little or none to Brit territorial interest in Pacific which he did not bother mention.[3]

JARMAN

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[1] In this telegram the Embassy had mentioned an exchange of messages between Prime Ministers Churchill and Menzies on the subject of participation by the United Kingdom in ANZUS, but had stated also that it was not yet informed of the substance of the exchange. (790.5/10-1352)

[2] Of Commonwealth Prime Ministers, held Nov. 27-Dec. 11, 1952.

[3] Ward P. Allen, UN Adviser to the Bureau of European Affairs, informed the Secretary of the substance of this telegram in a memorandum of Oct. 28. (Conference files, lot 59 D 95, CF 132)

On Oct. 31, Ambassador Robert Scotten reported on a conversation held with Prime Minister Holland:

"PriMin called me to his office today and said he wished to talk about ANZUS. Added he deplores UK attempt throw blame on US for non-entry UK observer into ANZUS and will acquaint Mr. Churchill his position during forthcoming visit London. Added he is convinced press campaign from London inspired by UK Govt. Stated if Brit attitude of blaming US persists he will make public statement that NZ stands firm with US this matter." (Telegram 131 from Wellington; 790.5/10-3152)

790.5/11-1452

Memorandum by the Deputy Director for Strategic Plans, Joint Staff (Bradley) to the Joint Chiefs of Staff [1]

TOP SECRET [WASHINGTON,] 23 October, 1952.

1. In February 1952, the United States participated in a Five Power Conference with the United Kingdom, France, Australia and New Zealand to determine what military measures might be taken collectively in retaliation against a further Chinese Communist aggression. Basic positions brought out but not reconciled at this conference were:

a. The United States considered that direct action against China must be a part of any over-all retaliatory course of action.
b. The United Kingdom considered that direct action against China would have undeterminable political repercussions and would be militarily ineffectual.
c. The French were primarily concerned with obtaining direct military support for operations in Indochina.

2. In view of the political factors which arose in the February conference the United States subsequently agreed to participate with military representatives of the United Kingdom, France, Australia and New Zealand in a Five Power Military Conference on Southeast Asia restricted to a consideration of those courses of action which, from a purely military point of view, would be possible and necessary to cause the Chinese Communists to cease an aggression. This memorandum summarizes the results of the conference.

3. Pursuant to directives by the Joint Chiefs of Staff the U.S. Delegation was guided by the provisions of NSC 124/2 [2] which sets forth current U.S. policy regarding commitments of U.S. forces in event of Communist China aggression in Southeast Asia. The principal courses of action in NSC 124/2 which provided the broad framework of the U.S. position are summarized as follows:

a. Action limited to the area of aggression and contiguous areas of Communist China, by

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[1] This memorandum is Enclosure B to the memorandum from the JCS to the Secretary of Defense, Nov. 14, p. 239.

[2] Dated June 25, p. 125.

(1) Resolute defense of Indochina.

(2) Interdiction of the lines of communication to include those in Communist China.

(3) A sea blockade of Communist China.

b. General action against Communist China.

(1) This course of action includes all action in a (1), (2) and (3) plus the bombing of all suitable military targets in Communist China.

c. As a component of a and b above, encourage the French to develop to the fullest the military potential of Indochina.

4. It was established at the outset that the examination would be based on the assumption that the Korean war was continuing. Subsequently an additional assumption that a Chinese Communist aggression had occurred in Southeast Asia was agreed upon. Despite the terms of reference which limited the examination to the military aspects of the problem it was obvious throughout the conference that the delegates were influenced by political considerations and operating within the framework of national political guidance. Nevertheless the military representatives of the Five Powers agreed that:

a. Air, ground and naval action limited to the areas of aggression and the contiguous areas of China offers little prospect of causing a cessation of aggression.

b. A combination of all coercive measures including the defense of the area of aggression, a full sea blockade and general air action against China offers the best prospect of causing a cessation of aggression.

5. This agreement among the Five Powers is a step forward from positions established at the Five Power Conference in February. However, it was apparent, both from the discussions at the conference and the full report itself, that the agreement stated above was forced by the terms of reference which limited the examination to the military aspects of the problem. The important matter at attempting to reach an agreement on the strategy against Communist China which could be undertaken with the forces available brought out a wide divergency of views. The British endeavored to rationalize a recession along political lines to a course of action limited to the area of aggression by contending that expanded action would be ineffective and beyond Allied capabilities.

6. It developed at an early stage that the United Kingdom's primary interest lay in the effect of the various courses of military action on her colony of Hong Kong. In developing its position the U.K. delegation emphasized the vulnerability of Hong Kong to a Communist attack. Their argument ran as follows: A sea blockade

would provoke the Chinese Communists to attack Hong Kong. To hold Hong Kong would require sizeable air, land and naval forces, which would not be available if the blockade was undertaken. Furthermore, the sea blockade would, in itself, be relatively unimportant in causing the cessation of Chinese aggression. In the relation of Hong Kong to the over-all strategy of the area, the United Kingdom delegation's position was unquestionably motivated primarily by economic and political factors, i.e., trade and shipping. These factors led them to the conclusion regarding the sea blockade to the exclusion of the important strategic benefits.

7. The French delegation did not manifest much interest in the blockade problem. Its principal concern was to establish the fact that to hold Tonkin against a Chinese mass attack reinforcements must be forthcoming.

8. In addition the French and United Kingdom delegates, with Australia and New Zealand concurring, stressed the necessity in their view for additional direct military support in Tonkin and Hong Kong both before and after an aggression. Inasmuch as these countries have indicated only a negligible contribution of forces for the defense of Southeast Asia, it would appear that the United States is expected to provide the bulk of this additional military support.

9. The position of the United Kingdom, France, Australia and New Zealand at this conference may be summarized briefly as follows:

> a. The United Kingdom considers effective implementation of a blockade and air action against China as a whole would require forces beyond Allied capabilities and the results would not justify commitment of forces in the strength required to implement such a course of action.
>
> b. The French recognize the desirability of direct action against China so long as it does not require such dispersion of forces as to jeopardize the retention of Tonkin.
>
> c. The Australian and New Zealand delegations generally concur in the U.K. position.

10. The French and United Kingdom delegates laid particular emphasis on the need for some form of liaison beyond that now in existence for planning for the defense of Southeast Asia. The French delegate expressed himself so strongly for the need of a planning agency that he concluded that absolutely no progress will have been made by military discussions since the Ad Hoc February meeting unless this need if fulfilled. The U.S. delegates contended that, insofar as the United States was concerned, the machinery for coordinating plans was already in existence under the Commander in Chief, Pacific.

11. The employment of atomic weapons against Communist China was not discussed.

12. The foreign delegations indicated from the outset of the conference that they were interested in a discussion of actions to deter further aggression. It was emphasized that it would be more economical to forestall aggression than to combat it. The U.S. delegation, while considering this subject to be outside the terms of reference, agreed to discuss deterrents in order that all viewpoints could be heard. My personal view subscribes to the logic of deterrent action or effort to stop aggression before it starts, but definitely opposes any arrangement for combined liaison or planning agencies prior to concerted retaliatory action or to U.S. ground participation in Southeast Asia.

Conclusion and Recommendation

13. I recommend that the Joint Chiefs of Staff note my conclusion that unless there are agreements reached at high political level or unless there is a decided change in our national policy which would effect the drawing of new terms of reference further military talks by the Five Powers on Southeast Asia will serve no useful purpose.

Conference files, lot 59 D 95, CF 133

Memorandum of Conversation, by Armistead M. Lee of the Office of British Commonwealth and Northern European Affairs

SECRET [NEW YORK,] November 11, 1952.

Subject: ANZUS Treaty Council: British and Philippine Reaction Thereto: Status of Forces in Japan.

Participants: Mr. R.G. Casey, Australian Minister of External Affairs
Sir Percy Spender, Australian Ambassador
Mr. T. Clifton Webb, N.Z. Minister of External Affairs
Mr. J.K. Munro, N.Z. Ambassador
The Secretary of State
Mr. Ward Allen, EUR
Mr. A.M. Lee, BNA

British Demands for Link With ANZUS

Mr. Casey, who had requested the meeting with the Secretary and Mr. Webb, opened the discussion by saying that he would be meeting with Mr. Eden tomorrow and thought it probable that the latter might wish to discuss the UK claim for inclusion in ANZUS.

The Secretary said that he too was seeing Mr. Eden tomorrow but that ANZUS had not been included in the list he had been given by the British of subjects which Mr. Eden would wish to discuss. Mr. Casey said that Mr. Eden had already told him that he did not feel very strongly on the subject but did think that he did feel that, in the global picture, some sort of U.K. association with ANZUS was desirable.

Sir Percy suggested, and Mr. Munro concurred, that since it was already agreed that this issue would be discussed at the Commonwealth Prime Ministers conference in London, it would be best to wait until Mr. Churchill has talked to Mr. Menzies. Mr. Webb remarked that it was necessary, however, to have an agreed position in case Mr. Eden raises the issue here in New York.

The Secretary mentioned that he had found Mr. Selwyn Lloyd, whom he had talked to recently,[1] did not feel at all strongly on the ANZUS issue. He said that he had told Mr. Lloyd that we were just getting started in this field of Pacific security arrangements and that it would be disastrous to this fledgling creature to load it down with purely prestige questions. Substantively, the British were being kept fully informed and would be tied in anyway through the existing Commonwealth defense mechanisms. The British seemed really concerned from the point of view of public reactions, and as he had told Mr. Lloyd, what they were asking is precisely "what would make our tripartite lives impossible." (There was no indication of dissent from the Australians and New Zealanders.)

Philippine Attitude

The Secretary said that the Filipinos were very sensitive over their exclusion from ANZUS, and that when the word got out about the 5-power military conversations on Indochina, they were doubly distressed. He had tried to placate General Romulo on this issue by suggesting that the Philippines should make the most of the Manila meeting with Allison, Nash and Radford.[2] Romulo and Quirino had complied with the suggestion with a bit too much enthusiasm, and the resulting publicity buildup of the Manila meeting reached embarrassing proportions. Mr. Casey remarked that President Quirino had urged him to support Philippine claims for inclusion in ANZUS and that he had responded by suggesting that the Indonesians might then want to be cut in. He asked Quirino whether the Philippines were prepared to extend a security guarantee, of the ANZUS type, to Indonesia. Quirino had answered no, emphatically. Sir Percy recalled that the Filipinos had been cool to his own advocacy of a Pacific Pact in 1950. It was only after ANZUS that they suddenly became enthusiastic.

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[1] Acheson's memorandum of his conversation with Lloyd, Oct. 28, is not printed. (Conference files, lot 59 D 95, CF 133)

[2] A report of the meeting was transmitted to the Department of State in circular telegram 38 from Manila, Oct. 29. (796.5/10-2952)

Summing up, the Secretary said that both the Philippines and France would deeply resent their exclusion from any enlargement of ANZUS to include the UK.

Domestic Political Aspect of UK Demands

Mr. Casey said that he had been talking to Mr. Henry Hopkinson [3] of the UK on the background for the British campaign for inclusion in ANZUS. Hopkinson explained that when they, the Conservatives, had been in opposition, they had made great capital out of the Labor Government's having condoned the "snub" to the UK involved in British exclusion from ANZUS. The issue had been most effective during the campaign, and the Conservatives had promised that they would set matters right. Now they were under the double pressure of the Labor Party and their own back benchers to carry out their promises.

Mr. Webb observed wryly that the UK Government seemed to be caught in a web of their own making while in opposition. He and Mr. Casey recalled with amusement that it was an experience which both of their Governments had known only too well, with their campaign promises to "make the pound go further".[4]

[Here follows discussion of the status of Commonwealth forces in Japan.]

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[3] Minister of State in the Colonial Office.

[4] On Nov. 18, the Embassy in London reported that the ANZUS question had been "scarcely mentioned" during the 1951 electoral campaign, nor had recent Parliamentary pressure from back benchers of both parties been serious. The telegram continued: "In our view govt. if it wishes, can easily meet such pressure as exists. As Dept aware, we believe Churchill himself prime source of Brit dissatisfaction." (790.5/11-852)

790.5/11-1452

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Lovett)

TOP SECRET WASHINGTON, November 14, 1952.

Subject: Report of the Five Power Military Conference on Southeast Asia

1. In a memorandum for you, subject, "Proposed Tripartite Conference on the Defense of Southeast Asia," dated 11 July 1952,[1] the

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[1] Not printed, but see Allison's memorandum of July 15 to Matthews, p. 145.

Joint Chiefs of Staff expressed the view that a joint high-level conference of Heads of State, or their representatives, and the Chiefs of Staff of the United States, Great Britain, and France, which would permit the simultaneous resolution of political-military questions appears to offer the greatest promise of achieving the agreements believed necessary for the successful defense of Southeast Asia and the prevention of limited war.

2. As a prelude thereto it was suggested that every effort should be made to obtain tripartite agreement on at least the minimum military courses of action referred to in subparagraphs 7e and 10c of NSC 124/2 [2] which include a blockade, resolute defense of area of aggression, interdiction of lines of communication, and provision of major forces. Thereafter the United States would agree to the holding of a military conference under the conditions prescribed.

3. Subsequently, in a memorandum for you, subject, "Proposed United States Position for Five Power Military Representatives Conference on Actions to be Taken in the Event of Chinese Communist Aggression in Southeast Asia," dated 5 August 1952,[3] the Joint Chiefs of Staff, under the conditions stated therein, concluded that the possible advantages of a Five Power Military Conference justified its being held regardless of the fact that firmly agreed joint political guidance had not been obtained.

4. Pursuant to instructions the Military Representatives of Australia, France, New Zealand, the United Kingdom, and the United States met in Washington, D.C. on 6 October 1952, to consider the purely military aspects of the defense of Southeast Asia in the event of a Communist aggression.

5. In compliance with your memorandum, subject as above, dated 7 November 1952,[4] the Report of the Five Power Military Conference on Southeast Asia [5] and the memorandum for the Joint Chiefs of Staff by the Chairman, U.S. Delegation to the Five Power Conference,[6] which summarizes the results of the conference, are attached as Enclosures "A" and "B" respectively.

6. The Joint Chiefs of Staff concur with the position established by the U.S. Delegation at the Five Power Military Conference which is embodied in the conclusions of the Report. Comments on certain of these conclusions are made in succeeding paragraphs in order to emphasize the U.S. military position which should be maintained in future discussions between the Governments of the Five Powers.

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[2] Dated June 25, p. 125.

[3] *Ante*, p. 184.

[4] Not found in Department of State files.

[5] Dated Oct. 17, p. 230.

[6] Dated Oct. 23, p. 234.

7. The Military Representatives concluded in paragraphs 29 and 30 of the Conference Report that Tonkin is of essential present interest in the defense of Southeast Asia, and the forces at present available in that area are not sufficient to halt a major Chinese Communist aggression.

8. The circumstances surrounding the timing and military situation under which the French might call for reinforcements for Tonkin are unpredictable. Without major development of port and airfield facilities prior to aggression the logistical support of U.S. ground and air force reinforcements on the order of magnitude visualized by the French would be impracticable. The further commitment of major U.S. ground and air forces to localized actions after aggression occurs would be inadvisable in view of the foregoing limitations and the indecisive nature of defensive operations within a limited perimeter. The immobilization of U.S. military forces in defense pockets around the perimeter of China would seriously limit the capability for direct action against China.

9. It is, therefore, advisable from the military view to assist and encourage the French in carrying out their responsibilities for the defense of Indochina. To this end France should be aided and urged to speed the development of indigenous combat forces and the improvement of supporting logistical and operational facilities to the extent considered necessary to meet the existing threat. This is within the framework of current U.S. national policy.

10. The conclusions in paragraphs 40 and 42 of the Conference Report are considered to have special significance in relation to the objectives of NSC 124/2 as regards expanded action against Communist China. In addition, they should serve as a basis for negotiating further political agreements on the issuance of a joint warning to Communist China.

11. The foreign delegations emphasized the need for deterrent action to forestall aggression. This subject was outside the terms of reference of the delegates to the Military Conference, and hence was not included in the conclusions of the main report. The subject will probably be pressed by foreign delegations in any government level discussions on Southeast Asia. The Joint Chiefs of Staff subscribe in general to the logic of deterrent action. Visible reinforcements in the area might, so far as U.S. forces are concerned, consist of a periodic show of force by naval and air units, but participation by U.S. ground forces is not contemplated. The Joint Chiefs of Staff are opposed to setting up combined liaison or planning agencies prior to concerted retaliatory action. Coordination of plans for operations against Communist China may be effected by the Commander in Chief, Pacific with other designated military commanders in the area.

12. Based on an analysis of the Report of the Conference and the Report of the Chairman of the United States Delegation, the Joint Chiefs of Staff are of the opinion that without expanded jointly agreed political guidance, additional meetings of military representatives would serve no useful purpose. Accordingly, the Joint Chiefs of Staff recommend that:

a. Action be initiated to amend NSC 124/2 to provide for securing agreement, under the auspices of the United Nations or in conjunction with France and the United Kingdom and any other friendly government, to undertake the military courses of action set forth in paragraph 42 (combination of all coercive measures) of the Five Power Conference Report in the event of Chinese Communist aggression in Southeast Asia.

b. The Five Power Military Conference Report be used as the basis for securing international agreement at governmental level to the military courses of action set forth in paragraph 42 of the Report.

c. Action be initiated to encourage the French at every opportunity to increase and speed the development of indigenous combat forces and supporting facilities in Indochina.

For the Joint Chiefs of Staff:
Omar N. Bradley
Chairman
Joint Chiefs of Staff

790.5/5-2853

Report by the Staff Planners to the Military Representatives to the ANZUS Council [1]

TOP SECRET [Pearl Harbor, T. H. ?,] November 25, 1952.

In accordance with instructions from the Military Representatives to the ANZUS Council, Staff Planners of Australia, New Zealand and the United States met at Pearl Harbor, T.H. on Thursday, November 6th, 1952, to determine possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in this area short of a general emergency.

The Report of the meeting of Staff Planners is attached.

It is recommended that the Military Representatives to the ANZUS Council approve this report and recommend to their respective Chiefs of Staff or equivalent that:—

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[1] The file copy is an enclosure to the memorandum from the Joint Chiefs to Secretary of Defense Charles E. Wilson, May 15, 1953, p. 315.

a. The courses of action contained therein should be the basis of ANZUS military policy.

b. Every endeavor be made to obtain the agreement of the United Kingdom and France to such policy over as wide a range as possible.

R. G. Pollard
Head of Australian Staff Planners
H. E. Gilbert
Head of New Zealand Staff Planners
C. C. Smith
Head of United States Staff Planners

[Attachment]

[Here follow a list of persons present (12), a summary of contents, and a distribution list.]

Report No. 1

I. TASK REFERRED

At their meeting at Honolulu, September 22–25, 1952, the Military Representatives to the ANZUS Council referred the following immediate planning tasks to the Staff Planners:

"1. A review of the military situation in Southeast Asia. This is essentially an intelligence estimate to be used in planning procedures.

"2. Develop a strategic estimate on Southeast Asia.

"3. Determine possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in this area short of a general emergency." [2]

II. DEFINITIONS AND INTERPRETATIONS

It is interpreted:

A. That the phrases used in the above directive have meanings as stated hereunder:

"Short of a general emergency"—Short of global war, i.e., short of war with the U.S.S.R.

"Current Communist threat"—Existing cold war conditions, wherein overt Chinese Communist aggression is limited to Korea but tension is maintained throughout Southeast Asia.

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[2] The quotation is from section B of the Military Representatives' Agreed Record of Proceedings, p. 224.

"Further Communist aggression"—Further Chinese Communist aggression (outside Korea) without overt Soviet participation.

B. That the aim of measures taken in the event of further Chinese Communist aggression will be to force the Chinese Communists to cease their aggression.

III. STATEMENT OF POSITION

A. The Military Representatives to the ANZUS Council are concerned with the threat in Southeast Asia to the security of Australia, New Zealand and the United States of America and with the determination of possible courses of action to meet the threat.

B. It is considered that the determination of possible courses of action to meet the threat must include estimates of force requirements. Such estimates are included in broad terms in this report.

C. Any planning by the ANZUS powers will form only part of the overall planning by the Allies to contain Communist expansion and, therefore, before detailed supporting plans for a particular area can be prepared, consultation with the Allied nation responsible for that area will be necessary.

IV. ASSUMPTIONS

A. The U.S.S.R. will not intervene thereby causing global war unless and until it suits her so to do.*

B. Weapons of mass destruction will not be employed by either side.

C. A resolute defense of the area where aggression has occurred is an essential prerequisite to any Allied supporting action.

V. INTELLIGENCE ESTIMATE

The Intelligence Estimate on which the Strategic Estimate on Southeast Asia has been based is at Annex A.[3]

VI. STRATEGIC ESTIMATE ON SOUTHEAST ASIA

A. Importance of the Southeast Asia Region

1. In Southeast Asia the Chinese Communist regime, as the agent of the leaders of world Communism, is pursuing aggressive policies designed to eliminate Western influence therein and to bring the whole area under Communist control.

2. The maintenance of internal security and national independence in Southeast Asia is of great significance because:

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* The possibility of Soviet reaction, however, has been noted in consideration of the courses of action. [Footnote in the source text.]

[3] Not printed.

a. The loss to the Communists of the Tonkin Delta in Indochina, which is presently the area most directly threatened, would greatly simplify continued Communist expansion in Southeast Asia while compounding the difficulties of friendly forces. It would probably lead to the collapse of Burma and Thailand, and to a dangerous weakening of internal security in Malaya, Indonesia and the Philippines.

b. Communist domination of Southeast Asia would almost completely deny the Pacific littoral of Asia to the West, involving the loss of strategic materials (principally rubber and tin) of great importance to the whole non-Communist world.

c. Communist acquisition of the rice surplus areas—Burma, Indochina and Thailand—would enable the Communists to apply effective economic pressure against the non-Communist Asian countries in which rice is the principal food and which depend for their already low standard of living on importation from the rice surplus areas. The Western Powers would be forced to assume the burden of supplying food-stuffs to these rice deficit areas, or acquiesce in their reaching an accommodating agreement with the Communists.

d. Communist control of Southeast Asia would markedly increase the prestige of Communist China and the Soviet Union and would strengthen the international position and the internal stability of their regimes.

e. The loss of Southeast Asia, together with a deteriorating situation in the Middle East, which will almost certainly be exploited by the Soviet bloc, would have strong repercussions in India, Pakistan and Ceylon.

f. Should Southeast Asia be lost, the reestablishment of Western influence in the region would be a difficult, if not insurmountable, problem.

3. The loss of Hong Kong would have a markedly adverse psychological effect throughout Southeast Asia and would deprive the Allies of a valuable beachhead and point of contact with anti-Communist elements in Communist China.

4. It is concluded that a Communist dominated and controlled Southeast Asia would so increase the Communist threat to the ANZUS Countries that the existing and potential Communist threats in the area must be countered.

5. The strategic and current situation in specific areas of the Southeast Asia regions is examined hereunder:

a. *Indochina*

(1) The mainland communications between China and Southeast Asia are channeled through the Tonkin Delta, the retention of which in friendly hands would render aggression by Chinese Communist ground forces against Southern Indochina, Thailand and Malaya very difficult.

(2) Bases in Southern Indochina are suitably located for operations to secure the sea communications in the Gulf of Thailand and the South China Sea.

(3) In Indochina the Communists already have an active native force seriously threatening the existing government. The effect of Chinese assistance to the Viet Minh has been plainly evident in their increased coordination of large scale unit action, their improved communications and the apparent adequacy of their logistic supply. Now because of the military assistance by the Chinese Communists to the Viet Minh on the one hand and by the United States to the French and Associated States on the other, Indochina has become a major battleground in the West's struggle to contain Communism. French Union forces are currently considered capable of holding their positions in the Tonkin Delta against Viet Minh forces as presently constituted, but would be forced to withdraw if substantial Chinese forces were committed.

b. *Burma*

(1) Strategically, Burma is the land route from China for an invasion of the Indian sub-continent and is the back door entrance for a conquest of Thailand. It possesses potential bases for air and naval action directed against Allied sea communications in the Bay of Bengal, the Indian Ocean and the remainder of Southeast Asia.

(2) The Socialist dominated government of Burma is basically leftist, anti-foreign in attitude and sympathetic toward Asian "Nationalism".

(3) Militarily, the Burmese Government faces serious problems. Its army is poorly trained, is equipped with old, worn-out equipment and includes groups of doubtful loyalty. Battles with the Karens and the problem of maintaining internal order have made it almost impossible to provide more than a token force to police the Northern and Northeastern Chinese border areas. As a result, these have been overrun by various bandits and outlaws and by Chinese Nationalist guerrilla groups.

c. *Thailand*

(1) Thailand is of strategic importance because it lies astride the communication routes to the South. It would provide useful base facilities in enemy hands for an invasion of Malaya and for operations against Allied sea communications in the Gulf of Thailand and the South China Sea.

(2) The potentially weak spot in Thai security, aside from the internal tensions caused by political rivalry within the military oligarchy itself, is the existence of a large, commercially dominant, alien Chinese minority which may be sympathetic to the Chinese Peiping regime.

(3) The Thai government, although weakened by factional intrigue and strife, has taken a fairly strong stand against Communism. However, it could not be expected to resist Communist pressure if Indochina or Burma fell.

d. *Malaya (Including Singapore)*

(1) Malaya's strategic importance derives from its geographical location commanding the Strait of Malacca, the natural sea route between the Indian Ocean and the Far East. It possesses naval and air bases suitable for use for the control of sea communications in these areas and for defense. Should Communism succeed in Indochina, Burma and Thailand, it would be the last Western foothold on the mainland.

(2) In Malaya, terrorism carried out by the Communist "Malay Racial Liberation Army" (MRLA), 95% of whom are Chinese, poses a serious security threat to the British. British and indigenous forces have been able to maintain internal security in all major urban areas and along main lines of communication, and to checkmate the Communist attempts to prevent operation of rubber plantations, tin mines, and other basic industries. While continued guerrilla activity can be expected, some improvement in the security situation by the end of 1952 appears probable.

e. *Hong Kong*

(1) Hong Kong is of strategic importance because it is the only remaining beachhead in friendly hands on the mainland of China and because it forms a useful point of contact with anti-Communist elements in Communist China. Its retention has a strong psychological effect on Asian opinion.

(2) Maximum exploitation of existing and potential air facilities at Hong Kong would contribute significantly to gaining control of the air in the Hong Kong–Canton area.

(3) The British garrison, comprising approximately two-thirds of a division, with the supporting police force is capable of maintaining internal security under present conditions and of forcing the Chinese Communists to embark on a substantial military operation should they decide to occupy the Colony. The garrison is, however, not strong enough to withstand a large-scale Communist attack which, should it occur, would be successful within a very short time.

f. *Macao*

Macao is of no strategic importance and is indefensible. Its very small garrison is not capable of putting up more than a token defense.

g. *Formosa (Including the Pescadores)*

(1) The existing naval bases in Formosa are of value for naval operations on the China Coast. There is scope for the development of air bases useful for attacks on the Chinese mainland and for support of maritime operations in the area. In enemy hands, Formosa would facilitate a Communist advance into the Philippines. In the hands of the Chinese Nationalists, it is a continuing threat to the Chinese Communists who find it necessary to retain substantial armed forces on the adjacent mainland.

(2) The Chinese Nationalists are in effective control of the whole of Formosa, the security of which is safeguarded by the U.S. Seventh Fleet.

h. *Philippines*

(1) The base facilities in the Philippines are of great value to the Allies for any operations which may be conducted in Southeast Asia. Their geographical relation to sea routes leading to China make them of great importance for the support of maritime operations in those seas.

(2) In the Philippines the internal security situation has shown marked improvement during the past year and, unless political factors intervene, prospects point to an even greater improvement by the end of 1952.

i. *Indonesia, Sarawak, British North Borneo, Portuguese Timor, Brunei, and Dutch New Guinea*

(1) In enemy hands, these territories would provide bases for attacks to be developed against the mainland of Australia. Their geographical relation to the various sea routes in the area would make their potential base facilities valuable for the control of sea communications. They are a source of substantial quantities of strategic materials.

(2) The present political situation in Indonesia is unstable and internal security is precarious.

(3) In Sarawak, British North Borneo, Portuguese Timor, Brunei and Dutch New Guinea, the administering powers have at present no major security problems although there is a continuing possibility that such problems may arise from Communist, nationalist or bandit inspiration.

B. Development of the Enemy Threat

1. Current deployment of Chinese Communist ground forces in South China provides the enemy with the capability of simultaneously overrunning existing friendly defense forces in Indochina, Hong Kong, Macao and Burma. Deployment of air support for such offensive action is readily within Chinese Communist capabilities. An analysis of air facilities in South China indicates that close air support would have to be deployed, at least initially, through the Canton complex. The Chinese Communist Air Force has the capability of attacking targets in Indochina, Burma, Thailand, Hong Kong, Philippines and Formosa.

2. The enemy threat in specific areas of the Southeast Asia region is examined hereunder:

a. *Indochina*†

The Tonkin Delta of Indochina represents the key to the defense of Southeast Asia. French Union forces are currently containing the Viet Minh rebellion and are holding a defensive position known as the Hanoi Perimeter. However, the introduction of Chinese Communist forces into this campaign could drive them into the Haiphong Redoubt. It is estimated that the existing French Union forces could hold this redoubt against a mass assault for thirty days only, after which they would need complete logistic support, plus significant air and naval support.

The French Union forces, given adequate material aid, are capable of continuing to hold the Hanoi Perimeter against the Viet Minh. However additional material aid alone would not enable them to retain these positions in the face of Chinese Communist aggression.

Loss of the Hanoi Perimeter would enable the enemy to control strategic terrain in Indochina and would permit an enemy drive into Laos and Cambodia. Strong Communist forces in these two states would then be in a position to launch flanking attacks against Burma and Thailand at comparatively low cost and to continue their march to Saigon. Loss of the Hanoi Perimeter would also constitute a serious threat to Malaya.

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† See Chart, Appendix I to Annex A. [Footnote in the source text. Appendix I is not printed.]

b. *Burma*

(1) Chinese Communist forces are now in a position to launch an effective attack against Burma irrespective of action in any other area. However, loss of the Tonkin Delta would greatly facilitate Communist seizure of Burma. Burma in enemy hands would represent a significant threat to the Allied positions elsewhere in Southeast Asia. The presence of Chinese Nationalist guerrilla groups in the Northeastern border areas of Burma provides a ready-made excuse for Chinese Communist intervention.

(2) The inaccessibility of Burma to friendly forces and the difficulties imposed by terrain on ground and air reinforcement are of such magnitude that Allied counter-action in Burma itself would present great difficulty.

c. *Thailand*

With Indochina and/or Burma in Communist hands, Thailand would be in a precarious position. Friendly capabilities for the defense of Thailand, in this situation, are meager. Communist possession of Thailand would result in a significant strengthening of their military position with respect to the remainder of Southeast Asia. In particular it would place them in the most advantageous position to support dissident elements in Malaya and would provide them with air base sites and facilities and a line of departure for invasion of Malaya. The Communists would also have control of the largest single source of rice in Southeast Asia.

d. *Malaya*

Communist possession of Indochina, Burma, and Thailand would inevitably result in the necessity for an all-out, last-ditch defense. In fact, Malaya represents the Allies' final defense position in Southeast Asia. The strategic raw materials there would be a valuable addition to the enemy's war making potential.

e. *Hong Kong*

(1) It is estimated that the Chinese Communists are capable of over-running the British Crown Colony under present conditions, in a very few days. The air complex at Canton, about 70 miles away, is ideally located to support an enemy attack. The Canton complex represents a vital installation for the support of Chinese Communist aggression against either Indochina or Burma. Supporting air deployed from the North to assist in such offensive action would initially have to be staged through Canton. Complete logistic support for a sustained offensive against Indochina and Burma would have to come through Canton. Hong Kong in friendly hands constitutes a potential threat to the Canton complex.

(2) Due to the enemy ability to overrun Hong Kong in a very few days reinforcement action must be initiated and completed before the enemy can react.

f. *Formosa-Philippine Islands*

The major existing threat against Formosa lies in the Chinese Communist capability to launch airborne and amphibious forces against the island. It is considered that existing friendly naval forces are sufficient to cope with this threat. This Chinese Communist capability does not now extend to the Philippines. However, with Formosa in Chinese Communist hands the Philippines would be similarly threatened.

g. *Other Areas*

While the Philippines and Malaya remain under friendly control it is considered that no significant external military threat exists against these areas. There is a current internal threat in these areas that would be aggravated by the loss to Communism of any of the directly threatened areas in Southeast Asia.

VII. ALLIED COURSES OF ACTION TO MEET THE CURRENT COMMUNIST THREAT IN SOUTHEAST ASIA

A. In the light of this study of the importance of the Southeast Asia region and the development of the enemy threat, action to meet that threat appears essential. Possible courses include:

1. *Continuation and Possible Increase of the Present Military Aid and Advisory Programs*

This continued aid, while not committing military forces of nations other than those involved in the specific areas, would provide the means necessary to exploit to the fullest the strengthening of national forces in the region.

2. *Strengthening of Military Forces in the Region*

a. By the use of national and indigenous forces.

Owing to the strategic importance of Indochina and Hong Kong, the French and British should be encouraged to build up their forces and strengthen their defenses in those areas. In Indochina the French have embarked on a program to build up the French Union forces. With increased aid and advisory assistance this strengthening could be accelerated. In this and other areas of Southeast Asia there should be a strengthening of national forces sufficient to maintain internal stability and, in the longer term, to resist Chinese Communist aggression.

Reinforcement to meet the current threat must be by national and indigenous forces as the employment of forces from Allied nations would probably be open to misinterpretation throughout the world, particularly in Asia, as to the motive of the Allies, and might involve Chinese Communist reaction.

b. By reinforcement of existing Allied forces.

There are insufficient Allied forces presently in Southeast Asia for the requirements foreseen in the event of further Chinese Communist aggression. A general increase in the forces in Southeast Asia might provide the necessary deterrent. Additional forces within the region could constitute a strategic reserve available for assistance in threatened areas in the event of further Chinese Communist aggression.

3. *Psychological Warfare*

Psychological warfare, if effective, would have beneficial military results in strengthening the will of the non-Communist countries of the region to resist Communism. It would also weaken the hold of the Chinese Communist government within China, thereby reducing Chinese capabilities to commit aggression.

4. *Guerrilla Warfare*

The assistance and encouragement by covert means of anti-Communist dissident elements in Communist China and the intensification of guerrilla activities, including sabotage, could weaken the Chinese Communist regime and thereby reduce the threat in Southeast Asia.

5. *Use of Chinese Nationalists*

An important source of unused military manpower in the Far East, favorably inclined towards the Allies, is represented by the Chinese Nationalists on Formosa. If agreement for the use of these forces could be reached between the Chinese Nationalists and the governments of the areas directly threatened they could be employed to assist in the defense of those areas. A progressive increase in their capabilities is being developed with U.S. assistance and further increase is desirable.

6. *Conduct a Blockade of the China Coast*

A blockade of the China coast prior to further aggression by the Chinese Communists would have no immediate effect in the reduction of their military capabilities. It would require substantial naval and air forces to implement it. In any case there would be considerable leakage through Vladivostok. It would most likely provoke Chinese Communist reaction, particularly against Hong Kong.

7. *Determine a Coordinated Agreed Military Policy With the United Kingdom and France Applicable to the Threatened Areas*

The absence of an agreed military policy with the United Kingdom and France with regard to Southeast Asia complicates the problem of implementing possible military courses of action designed to meet the threat of further aggression in the region. The courses of action contained in this paper should be the basis of ANZUS military policy which, it is suggested, may form the basis for wider agreement with the United Kingdom and France. A coordinated expression of that military policy, therefore, is highly desirable for planning of action to counter the existing threat or to meet further aggression should it occur in the region.

8. *Establish a Means of Coordinating Agreed Allied Military Policy*

It is considered that the first step toward the accomplishment of this purpose should be a meeting of the following:

Commander in Chief Pacific (U.S.)
Representative of British Defence Coordination Committee (Far East)
Commander in Chief, French Forces, Far East
Representative of New Zealand Chiefs of Staff
Representative of Australian Defence Committee

B. Conclusions

1. Each of the foregoing possible courses of action, with the exception of the blockade, would contribute towards meeting the current threat and should be encouraged.

2. A blockade of the China coast, under current conditions, would be uneconomical and would not have sufficient effect on Chinese Communist capabilities in Southeast Asia to warrant its imposition.

3. The courses of action which would contribute most are:

a. The build-up of national and indigenous forces in the directly threatened areas, backed by the continuation and possible increase of military aid and advisory programs.

b. An increase in Allied forces in the region to provide a deterrent to further Chinese Communist aggression.

4. The formulation of an agreed military policy with the United Kingdom and France with respect to Southeast Asia would greatly assist in the effective implementation of these courses. It would also facilitate planning to meet further Chinese Communist aggression. Failing complete agreement, every effort should be made to obtain such an agreed policy over as wide a range as possible.

VIII. ALLIED COURSES OF ACTION IN EVENT OF FURTHER CHINESE COMMUNIST AGGRESSION IN SOUTHEAST ASIA

A. The aim of Allied action in the event of further Chinese Communist aggression will be to force the Communists to cease such aggression. In the light of the examination of the enemy threat, consideration of courses of action has been restricted to those applicable to the areas directly threatened and to those more general measures against China which might be necessary.

Consideration has also been given to courses of action applicable to Malaya because of the particular strategic importance of that area. The detailed examination of the advantages and disadvantages of courses of action at Annex B[4] is summarized hereunder:

1. *Provide Naval and Air Support to Friendly Forces in Southeast Asia*

Indochina

Provision of naval and air support to friendly forces in Indochina is feasible. It would contribute directly and with significant effect to the support of the French but would not, in itself, suffice to cause the enemy to cease his aggression.

Burma

Provision of naval and air support to friendly forces in Burma would be most uneconomical and, on military grounds, would not be worthwhile.

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[4] Not printed.

Hong Kong

Provision of naval and air support to friendly forces in Hong Kong is feasible. It would contribute directly and with significant effect to the support of the British but would not, in itself, afford sufficient assistance to enable the British to hold Hong Kong unless the Colony had received reinforcement of ground forces before a Chinese Communist attack.

2. *Provide Ground Forces With Appropriate Naval and Air Support to Reinforce Friendly Forces in Indochina and Burma*

Indochina

Provided the French Union forces hold the Hanoi Perimeter long enough to enable reinforcement by ground forces with appropriate naval and air support, such reinforcement would prevent the loss of the Tonkin Delta.

Burma

The provision of ground forces in support of friendly forces in Burma would not be profitable in view of its probable ineffectiveness and the effort involved.

3. *Maintain the Security of Hong Kong by the Introduction of Appropriate Reinforcements*

The defense of Hong Kong is feasible if adequate ground forces are in place prior to an attack by the Chinese Communists, if suitable land-based aircraft are in place to provide air defense and if an adequate naval task force is available to assist in air defense and provide air and gunfire support. The successful defense of Hong Kong, in addition to having psychological advantages, would have considerable effect on deterring Communist aggression elsewhere in Southeast Asia.

4. *Conduct Air Attacks Against Selected Targets on the Chinese Mainland*

Coordinated friendly attacks against selected targets on the Chinese mainland would progressively reduce the Chinese Communist ability to support large scale military operations based on South China and might well produce immediate results on the effectiveness of the CCAF. Such attacks would have the most gainful results when related to specific military operations.

5. *Conduct a Blockade of the China Coast*

A blockade as a separate course of action would have no immediate effect in the reduction of the Chinese Communist military capabilities. It would require substantial naval and air forces. In any case there would be considerable leakage through Vladivostok. It might provoke Russian reaction. In combination with other courses of action a blockade would be profitable.

6. *Seize a Beachhead on the Chinese Mainland*

No military advantage would be gained by seizure of a beachhead on the Chinese mainland other than the deployment of the enemy effort needed to contain it.

7. *Seize and Hold a Beachhead on Hainan Island*

The seizure of a beachhead on Hainan Island is a feasible operation with attractive strategic prospects. It would involve a continuing logistic and maintenance problem, at times under difficult seasonal weather conditions.

8. *Provide Naval and Air Support to Friendly Forces in Malaya*

Provision of naval and air support to friendly forces in Malaya is feasible and would contribute directly, and with significant effect, to the defense of Malaya but would not in itself suffice to cause the enemy to cease his aggression.

9. *Provide Ground Forces With Appropriate Naval and Air Support in Support of Friendly Forces in Malaya*

The provision of ground forces with appropriate naval and air support is feasible and would enable Malaya to be held.

B. Considerations Affecting the Selection of Courses of Action

Courses of action to meet the current Chinese Communist threat, which include the strengthening of military forces in the region, have been set out above. In the event of further aggression, the action to be taken to cause the Chinese Communists to cease such aggression will depend on the extent to which those courses have already been carried out, particularly those relating to the strengthening of the friendly forces in Hong Kong and Indochina. The probable effects of Chinese Communist aggression against specified areas are stated hereunder:

1. *Hong Kong*

Unless the Hong Kong garrison had been strengthened the Colony would fall in a matter of days. This would result in the loss of our only foothold on the mainland of China which provides the only available air facilities from which friendly land-based interceptors could operate. It would also remove the potential threat to the Canton complex, which is of special importance to the Chinese Communist offensive capabilities in Southeast Asia. A major effort, in particularly difficult circumstances, would be involved in the evacuation of Hong Kong.

2. *Indochina*

If a Chinese Communist attack is launched before the area has been strengthened, the French Union forces would be forced to withdraw within the Haiphong Redoubt. Successful defense of the redoubt would depend upon complete logistic and significant naval and air support from Allied sources within a few weeks. Defense of the redoubt, by itself, would have very little effect on the Chinese Communist capability to continue their advance to the South.

The absence of suitable landing beaches, the over-taxed port facilities, the limited space within the Haiphong Redoubt and the effects of enemy air action would make reinforcement sufficient to restore the Hanoi Perimeter extremely difficult. A major effort, in particularly difficult circumstances, would be involved if evacuation became necessary.

3. *Burma*

As no adequate strengthening of the Burmese forces is likely in the foreseeable future, and as Allied naval and air support limited to the area of aggression would be most uneconomical and, on military grounds, not worthwhile, the overrunning of Burma must be expected in the event of Chinese Communist aggression.

Consideration of Burma points to the conclusion that the best method of forcing the Chinese Communists to cease their aggression would be by offensive action elsewhere against China.

4. *Malaya*

In the event of the loss of the foregoing areas, the strategic value of Malaya, as the last foothold on the mainland of Southeast Asia, would be greatly enhanced. As soon as it appears that the loss of the Hanoi Perimeter to the Chinese Communists might be inevitable, steps would have to be taken to accelerate measures for the defense of Malaya.

C. Conclusions

1. The Chinese Communists have the capability of overrunning Hong Kong, Macao, Indochina and Burma, either separately or in any combination. The best courses of action in the event of any Chinese Communist aggression in Southeast Asia are listed hereunder:

a. Provide naval and air support to friendly forces resisting aggression, except in Burma and Macao in the event of attacks against those areas.

b. Maintain the security of Hong Kong by the introduction of appropriate reinforcements, except when Hong Kong itself has been attacked before the garrison has been adequately strengthened.

c. Conduct air attacks against selected targets on the Chinese mainland.

d. Conduct a blockade of the China coast.

e. Provide ground forces with appropriate naval and air support in Indochina, except when Indochina itself has been attacked before the French Union forces have been adequately strengthened.

f. Seize and hold a beachhead on Hainan Island.

2. While each of the courses outlined above is of value, no single one will suffice to cause the Chinese Communists to cease their aggression. A combination of all the courses applicable to a given situation offers the best prospect of doing so.

3. The effects of undertaking an appropriate combination of courses of action would be:

a. In the event of Chinese Communist aggression occurring before the French Union forces in Indochina and/or the garrison in Hong Kong had been adequately strengthened, the action taken would not cause the Chinese Communists to cease their aggression immediately but would progressively reduce their capability to continue the aggression.

b. If the forces in Indochina and Hong Kong had been sufficiently strengthened before a Chinese Communist attack a successful defense of these areas could not be expected. Thereby the prospects of success of Allied action within a reasonable period would be considerably increased.

4. If Allied weakness in Southeast Asia were such that the above courses of action could not be successfully implemented and the major portion of the area should fall to Chinese Communist aggression, then a firm defense of Malaya would have to be conducted. This would necessitate reinforcement of Malaya by ground forces with appropriate naval and air support.

5. It is clear that failure to strengthen Indochina before aggression occurs and to provide adequate naval and air support in the event of aggression could lead to the loss of the Southeast Asia region to the Chinese Communists. It is also evident that if similar action is not taken with respect to Hong Kong the Colony would be lost. It would be a most difficult, if not insurmountable, task to regain those areas.

IX. FORCE REQUIREMENTS

Until detailed planning has been undertaken, force requirements can be stated only in general terms. Forces of the order of those shown in Annex C [5] will be required to carry out the various courses of action. No estimate has been made of logistic support forces required as these would vary considerably with the area of aggression, the courses of action selected and the location of available bases.

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[5] Not printed.

FE files, lot 55 D 388 [1]

Memorandum Presented by the Prime Minister of the United Kingdom (Churchill) to President-Elect Eisenhower [2]

[LONDON.]

ANZUS (AUSTRALIA, NEW ZEALAND, UNITED STATES) AND ANZAM (AUSTRALIA, NEW ZEALAND, AND MALAYA)

Mr. Churchill discussed this matter with Mr. Menzies and Mr. Holland, the Prime Ministers of Australia and New Zealand, during their visit to London in December. He said that he was anxious to find a solution of the problem caused by the exclusion of the United Kingdom from the ANZUS Pact. He and Mr. Eden had been disturbed by reports of the proceedings of the ANZUS Staff Planners, which seemed to show that ANZUS was seeking to extend its scope throughout the Pacific area including South East Asia. It was not reasonable that such planning should go forward without the direct assistance of the United Kingdom, whose interests were closely involved. ANZAM, a proposed planning organization, at a Service level, which would be limited to a closely defined geographical area and would not include the United States, was no sort of substitute.

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[1] Office files of the Assistant Secretaries of State for Far Eastern Affairs during 1953. (Walter S. Robertson succeeded Allison in this position on Apr. 8, 1953.)

[2] Churchill was in New York Jan. 5-8. He met with the President-elect on Jan. 5 and again on Jan. 7, when this memorandum was apparently presented to Eisenhower. The source text is attached to a covering memorandum of Jan. 16 from Allison to Foster, not printed.

Mr. Menzies emphasized that Australia had a close and intimate interest in the problems both of the South West Pacific and South East Asia. His country had of course an equal interest in security against a resurgence of Japanese power, and that was the reason why they had welcomed the ANZUS Pact. However Australia, like the United Kingdom, would welcome some machinery for comprehensive military planning throughout the Far East and South East Asia. The security of Malaya was of the utmost consequence to Australia. If the United States Government found it impossible to agree immediately to a solution which was entirely satisfactory to the United Kingdom, Mr. Menzies thought that it should be perfectly possible to proceed by stages. The first step would be to give reality to ANZAM, and to make sure that its significance was fully understood. After that there should be a system of liaison on a high military level between ANZUS and ANZAM. It would then follow as a natural consequence that the planning performed separately by the ANZUS and ANZAM organizations should fall into the hands of a joint ANZUS-ANZAM Committee.

Mr. Holland endorsed these proposals which could, he thought, be a prelude to joint machinery for the control of the whole Pacific area including South East Asia. He thought it quite insufficient to suggest that the United Kingdom should be admitted as an observer in ANZUS and said that, in New Zealand's view, the United Kingdom should be a full partner in Far Eastern planning. Mr. Holland and Mr. Menzies both made it clear that in any approach which Mr. Churchill made to the United States Government on these lines, he could take it for granted that he had the full support of Australia and New Zealand.

JANUARY 1953.

Conference files, lot 59 D 95, CF 135

Memorandum by the Director of the Executive Secretariat (McWilliams)

TOP SECRET [WASHINGTON,] January 8, 1953—4 p.m.

REPORT BY MR. DULLES [1] ON CHURCHILL TALKS

Participants:		
	Mr. Dulles	Mr. Bonbright
	Mr. Bruce	Mr. Riddleberger
	Mr. Allison	Mr. MacArthur
	Mr. Jernegan	Mr. McWilliams

Mr. Dulles requested that the above named officers assemble in Mr. Bruce's office in order that he might give an account of the conferences held with Prime Minister Churchill at the Eisenhower Headquarters in New York. Mr. Dulles reported on these conversations, as follows:

General

At the initial meeting between General Eisenhower and Mr. Churchill,[2] Mr. Churchill made it plain that he would like to reestablish with General Eisenhower the sort of relationship which existed between President Roosevelt and Mr. Churchill. He indicated that he would like to settle major questions arising by sitting around a table with General Eisenhower. Mr. Dulles reported that General Eisenhower had replied by saying that, of course, he wished to have the closest possible relationship with Mr. Churchill but that the making of decisions must go through regular channels.

The other primary item which Mr. Churchill discussed at this conference with General Eisenhower was the ANZUS Treaty. Mr. Churchill made it very plain that he was much put out by the exclusion of Great Britain from the ANZUS Council and went through the familiar arguments as to why Great Britain should be included. General Eisenhower was apparently non-committal and after the conference Mr. Churchill gave a memorandum [3] to General Eisenhower regarding this subject. (Mr. Dulles reported that he did not yet have this memorandum but he expected that it would be forwarded to him).

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[1] John Foster Dulles became Secretary of State on Jan. 21.

Participants listed below not previously identified are John D. Jernegan, Assistant Secretary of State for Near Eastern, South Asian and African Affairs; James C. H. Bonbright, Deputy Assistant Secretary of State for European Affairs; James W. Riddleberger, Director of the Bureau of German Affairs; Douglas MacArthur II, assigned to the Bureau of European Affairs. On Mar. 30, MacArthur became Counselor of the Department.

[2] Held Jan. 5.

[3] *Supra.*

Far East and ANZUS Treaty

Mr. Dulles reported that he had had two meetings with Mr. Churchill. The first [4] was held with Ambassador Designate Aldrich [5] present. Mr. Dulles reported that the main issue discussed at the first meeting was China. He said he would not go into the details of the conversation at this time but would inform Mr. Allison in more detail on this subject at a later time. He did say that he had talked to Mr. Churchill along the line that the problems of Korea, China and Indo-China should be viewed as one problem and considered as a whole. He had pointed out to Mr. Churchill that he thought that these problems were so inter-twined that they could not be dealt with separately. He reported that Mr. Churchill agreed with him and said he is much in favor of proceeding on this basis.

Mr. Dulles said he had had a second meeting with Mr. Churchill yesterday evening following dinner. Governor Dewey was present during this meeting. He said the bulk of this meeting was taken up by a discussion of the British position regarding membership in the ANZUS Council. He said Mr. Churchill was very definite in his demand for either full membership or as a minimum a position as observer on the Council. Mr. Dulles said he had informed Mr. Churchill that this matter had been discussed with Foreign Minister Morrison [6] at the time of its formation and that Mr. Morrison had never asked that the British be included. Mr. Churchill replied by saying Mr. Morrison said that the contrary was true. Mr. Dulles said this was not so.[7] Mr. Churchill said that irrespective of that he now wanted some status for granting the British in ANZUS—preferably as a full member. Mr. Dulles pointed out to him the additional commitments that it would place upon the United States since British territories in the Far East—such as Malaya and Hong Kong—would then come under the guarantees of the ANZUS Agreement. Mr. Dulles said that he at this moment did not know how the United States Military would view such additional commitments. He also pointed out that the French would then want to be included as would Formosa, Japan and the Philippines. He went into the history of the development of the ANZUS and explained to Mr. Churchill how it was necessary at that time to drop Japan and the Philippines from consideration in the formation of the Pact.

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[4] On Jan. 6.

[5] Winthrop W. Aldrich presented his credentials as Ambassador to Great Britain on Feb. 20.

[6] Herbert Morrison, Secretary of State for Foreign Affairs in the preceding (Clement Attlee) Ministry.

[7] Record of a direct request by Morrison personally that the United Kingdom be included in the ANZUS Security Treaty has not been found in Department of State files. For extensive documentation on the interest of the United Kingdom in the ANZUS Treaty and alternative Pacific security arrangements in the period of the Treaty's negotiation, see *Foreign Relations*, 1951, vol. VI, Part 1, pp. 132 ff.

See also the memoranda of July 28, 1952, pp. 158 and 159.

[Here follows discussion of other matters.]

790.5/1-2153

Memorandum by the Regional Planning Adviser in the Bureau of Far Eastern Affairs (Ogburn) to the Assistant Secretary of State for Far Eastern Affairs (Allison)

SECRET [WASHINGTON,] January 21, 1953.

Subject: Exclusion of Asians from Far Eastern Defense Arrangements

At the risk of being repetitious, I should like to emphasize the dangers, as they seem to me, of our appearing to join with other Western powers behind the backs of the Asians in organizations for the defense of the Far East or parts of the Far East. The ANZUS Treaty contributed significantly to the impression that that is what we are up to and it is evident that we shall continue to be under strong pressure from the British Prime Minister—pressure which is not easy to resist—to agree to British participation in ANZUS in one form or another, which would of course intensify that impression. Last week a British official in London gave out to the press that plans for liaison arrangements among the U.S., the U.K., Australia, New Zealand, and France for an exchange of intelligence on Southeast Asia have been made. Moreover, as I understand it, a proposal for a joint statement by the U.S., the U.K., and France with respect to aggression in Southeast Asia is still under consideration.

It is difficult to believe that any practical gains we shall make through teaming up with the other Western powers in Asia, whether for the defense of Asia or for any other purpose, will offset the resentment we shall arouse among the Asians themselves. This resentment, it may be noted, would be felt not simply by one category of Asians; all the Asians would feel it, South Koreans and Nationalist Chinese as well as Indonesians and Indians. Miss Catherine Porter of FE/P has brought back from the conference of Public Affairs Officers in Rangoon a report of widespread suspicion of ANZUS in the Far East (according to the Public Affairs Officer in Canberra, ANZUS is not even popular among the Australians). It is evident that in developing further organizational relationships with the Western powers in Asia we shall be creating more difficulties for ourselves. My own feeling is that we shall be surrendering the substance of strength in Asia (the readiness of the Asians to make common cause with us) for the sake of the form of strength (an organization that will effect very little material improvement in the prospects).

There is no explanation, so far as I can see, that we can offer the Asians of our reasons for developing special and exclusive relationships with the other Western powers in their part of the world that will allay or even mitigate the sense of affront and of injury with which they must regard such a development. We cannot say that we are excluding the Asians from such relationships because the Western powers have superior military potential. Most of the Asian countries are a good deal stronger militarily than New Zealand. The armed forces of the Chinese Nationalists should soon, if they do not already, exceed in capabilities the present forces of Australia. The Republic of Korea will before long have a stronger army in Asia than any of the Western powers. It is true that the Korean, Chinese Nationalists, and Philippine armed forces derive their strength from American support. Without American support, however, the British and French would not be in Asia at all. Moreover, the dependence of the stronger Asian powers on American material aid does not mean that the Asians are prepared to regard their own military potential as negligible. The Indonesians believe (and believe with some warrant) that their guerrilla forces, with no help at all from the outside, defeated the Dutch army while the latter was amply supplied with British and American equipment. The Asians have not overlooked the good account of themselves as fighters that has been given by the Chinese Communist terrorists in Malaya, by the North Koreans, by the Chinese Communists in Korea, and by the Vietminh, which fought the French to a standstill for three years before it was able to receive supplies from Communist China. If the Asians read history, they cannot but be aware that we have consistently underrated their abilities as fighters.

If we cannot maintain that we are leaving the Asians out of our special arrangements because their military potential is too low to warrant their inclusion, neither can we maintain that we are leaving them out because they are not sufficiently anti-Communist. All the Asian countries but China have been shown to be far less vulnerable to the Communist ideology than Italy and France, which we have welcomed as allies. Certainly a firmer stand against Communism than that which has been taken by the Republic of Korea and the Philippines could scarcely be asked for. It is to be doubted, to say the least, that in the event of general war we should witness any firmer stand on the part of France.

Finally, it will not be sufficient for us to say that some of the leading Asian states would not be willing to participate in our special arrangements with the white powers. In the first place, a number of them would be eager to do so. In the second, the nonparticipation of the others should be the result of their own refusal, not of our failure to extend an invitation, if we wish to retain a modicum of their trust.

The plain fact is that any exclusively Western joint action in Asia must carry with it the clear implication that we do not take the Asians very seriously and in fact regard them as inferiors. We shall not be able to avoid this implication because that is indeed our attitude.

Accordingly, I believe that if we are to avoid a great mistake we ought either to refuse to involve ourselves in any special relationships with the Western powers in Asia or else give the Asian governments an opportunity to participate in those relationships on a basis of equality. Unless we are ready to admit the Asians to full partnership, I believe we should put aside the thought of developing partnerships with the other Western powers in their part of the world.

As between the two alternatives, my hunch is that we should offer to take the Asians into our councils and to hold with them such military conversations as we have been engaging in with the Western powers in Asia and may plan for the future. Should the Chinese Communists invade Burma and Thailand, I think we would feel very foolish if we were caught without having had any conversations with the Burmese or Thai as to what could be done jointly in the event of such a development. Whatever we may think of Burmese military capabilities, I am sure we must rate their potential contribution to the defense of Southeast Asia a great deal higher than that of New Zealand and I venture to suggest that we shall not in the eventuality of a major conflict be above accepting help from any quarter. In this connection, it might be recalled that we have just encouraged the Filipinos to send a mission to Malaya to show the British how to clean out the Communists. I am also mindful of the fact that during World War II we were at great pains to establish and maintain communications with a Siamese underground with Pridi [1] as our contact-man. If the Chinese Communists strike, we shall find it hard to explain to ourselves why we have made no provisions for communications with other indigenous groups in Southeast Asia.

I think it is not enough to say that the Burmese and Indonesians, for example, would not be willing to have such conversations with us. While the Burmese and Indonesian governments undoubtedly would refuse to identify themselves with us in any kind of security arrangements or formal talks, I am by no means sure that the chiefs of their armed forces would not be willing to go pretty far with us on an informal basis. In any case, I believe that an invitation to the Asians to take part in our arrangements with the Western powers would be received as a compliment and would relieve us of the odium we may expect to bring upon ourselves by excluding them. If we expect to consolidate a position in the Far East through association with the French (who of all peoples are probably the most suspect and unpopular among the Asians) and the British, then it must appear that we are naive.

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[1] Pridi Phanomyong, Prime Minister, March–August 1946.

790.5/1-2953

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Secretary of State

SECRET [WASHINGTON,] January 29, 1953.

Subject: United Kingdom and ANZUS

The memorandum which Mr. Churchill left with President Eisenhower [1] concerning the relationship between the United Kingdom and ANZUS states that he and Mr. Eden have been "disturbed by reports of the proceedings of the ANZUS staff planners, which seem to show that ANZUS was seeking to extend its scope throughout the Pacific area including Southeast Asia." Mr. Churchill added that it was not reasonable that such planning should proceed without direct United Kingdom assistance as their interests were closely involved.

The memorandum then goes on to put forward a suggestion made by Mr. Menzies of Australia that it should be possible to proceed by stages to reach a solution of the problem of United Kingdom participation in Far Eastern planning which would be satisfactory. Mr. Menzies suggests that the first step would be to give reality to ANZAM (the Australian, New Zealand, Malayan staff setup) and that then there should be a system of liaison on a high military level between ANZUS and ANZAM. Mr. Menzies concludes that it would then follow as a natural consequence that "the planning performed separately by the ANZUS and ANZAM organizations should fall into the hands of a joint ANZUS-ANZAM Committee.["] These proposals were endorsed by Mr. Holland of New Zealand.

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[1] Presumably on Jan. 7; see p. 256.

While it is true that the report of the first meeting of the military representatives of ANZUS[2] does indicate that their planning tasks covered a wide field, including such United Kingdom responsibilities as Hong Kong, Malaya, the Crown Colonies of Singapore, and British North Borneo and Sarawak, nevertheless in actual practice it is believed the main activity concerning these areas will consist of exchange of intelligence information rather than any actual planning for military operations. Admiral Radford's terms of reference as the United States Military Representative are extremely limited and it is not believed that Mr. Churchill's concern over the activities of the ANZUS military representatives is fully justified. It is the opinion of those officers in the Department concerned with the matter that as long as ANZUS remains in its present form the United Kingdom should not be formally associated with it even as an observer. This is based upon, among other things, our definite belief that any expansion of ANZUS by the addition of the United Kingdom would (1) entail a demand from the French for similar representation and (2) give fuel to Communist propaganda which tells the Asiatic nations that the United States is not in fact interested in them but only interested in an association of western powers for the purpose of dominating the East. In this latter connection, I am attaching a memorandum[3] by one of the officers of my staff discussing the problem of the exclusion of Asians from Far Eastern defense arrangements. While I do not associate myself entirely with everything Mr. Ogburn says, nevertheless I do believe he makes an interesting and valuable presentation of the point of view which is shared, I am sure, by most of our friends in Asia. I strongly urge that you take the three or four minutes necessary to read this memorandum.

Should the British and the French be admitted to ANZUS, it would immediately, as you pointed out to Mr. Churchill,[4] enlarge the scope of United States commitments in Asia to include Hong Kong, Indo-China and Malaya. While I believe that it may be to our ultimate interest to assume eventually some increased responsibility with respect to those areas, I do not believe we are ready at this time to make definite commitments that the United States armed forces would be used in the defense of any of these areas. However, I believe it important that you be able to give some sort of encouraging response to Mr. Churchill, as I think we must do whatever we reasonably can to encourage the British to go along with us in Asia. I therefore suggest that you inform Mr. Churchill that the suggestion in his memorandum put forward by Mr. Menzies about a progressive development of the ANZUS–ANZAM relationship commends itself to you and that you will recommend to your government that the possibilities be thoroughly explored.

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[2] Dated Sept. 25, 1952, p. 222. Reference may also be to the Staff Planners' report of Nov. 25, p. 242.

[3] *Supra.*

[4] See McWilliams' memorandum of conversation, Jan. 8, p. 258.

The greatest difficulty we will have in this connection is undoubtedly with the Pentagon. As you know, the present Joint Chiefs are adamant in their determination not to be involved any more than absolutely necessary in planning with other countries, and they shy away from anything which might conceivably take the form of a Combined Chiefs of Staff. I do not believe they are realistic in this as I cannot conceive how we can engage in efficient planning for military defense of the Pacific or any part of it without engaging in some form of joint planning with our allies. In talking with Admiral Radford, I believe that he has a much more liberal attitude in this regard than that now being displayed in the Pentagon. I therefore hope that his influence can be brought to bear with a view to obtaining more flexibility on the part of our Joint Chiefs in giving us more leeway for cooperation with our allies. I am afraid, however, that as things stand at present, the most you can say to Mr. Churchill is, as indicated above, that you will recommend an immediate and urgent study of the possibilities of carrying out Mr. Menzies' suggestion.

Mutual Security Affairs files, lot 57 D 567

Memorandum by the Director of Mutual Security (Stassen)[1] *to Richard Johnson and Norman Paul*[2]

CONFIDENTIAL [WASHINGTON,] February 14, 1953.

I have in mind that it may prove to be desirable in many ways that the Mutual Security Program in the Asiatic area in its future contemplative operations be wrapped up together as a program for Asiatic Development, Investment, Trade, and Security.

I emphasize the preliminary nature of the thought, but at the same time I have a rather strong inclination that something of this type should be done.

I would appreciate it if both of you would proceed under Mr. Johnson's chairmanship, to draw upon such working staff assistants within the present Mutual Security Program that may be required to prepare a preliminary memorandum for me on this subject.

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[1] Harold E. Stassen became Director on Jan. 20.

[2] Both of the Mutual Security Agency. Johnson was Assistant Director for Resources and Requirements. Paul was Officer in Charge of Asian, African and Latin American Program Affairs. The memorandum is filed as an enclosure to a covering memorandum of Feb. 15 from Johnson to Edwin Martin, Special Assistant to the Secretary of State for Mutual Security Affairs.

I have in mind these tentative questions.

1. Which nations might be included in such a program?
2. Would a payments union approach be feasible and be constructive between them?
3. Would an economic cooperation committee with representatives of each of them be feasible?
4. Would a pool of technical and scientific experts for the entire area not attached to individual countries, be feasible?
5. Would it give rise to an improved approach to the Japanese Asiatic trade program and thus strengthen Japanese currency relationships?
6. Could it give rise gradually to a cooperative approach to water resources development in the area?
7. Could the land use problem be approached on a basis minimizing the type of clash of US versus local represented by the Philippine news?
8. Could it be organized without Formosa so as to avoid the China issue of the divergent views of the individual Asiatic nations on this subject?
9. What would be its most logical relationship to the Colombo Plan?
10. What is the total amount approximately involved in the tentative program of the $7.6 budget for the countries you conclude might be within such a program?
11. What are the different departments and agencies of the US Government whose joint cooperation would be important in the success of the program?

These are intended as only exploratory questions and not to be exclusive.

I also emphasize that I do not seek a comprehensive, complete, polished report; rather a working paper in memorandum form at this stage of the consideration.[3]

H[AROLD] E. S[TASSEN]

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[3] In a memorandum to Johnson of Feb. 19, Martin wrote that the Department of State would be happy to cooperate in supplying information to Stassen and went on to suggest various sources within the Department:

"I suggest strongly that only after this material has been discussed with Mr. Stassen and he has indicated a desire to pursue the matter further should any further work be done. The general concept involved has of course been examined from many angles several times in the past few years, always with the conclusion that the time and situation were not ripe for any major new step on a regional basis." (Lot 57 D 567)

790.00/2-1753

Memorandum by the Director of the Office of Philippine and Southeast Asian Affairs (Bonsal) to the Assistant Secretary of State for Far Eastern Affairs (Allison) [1]

TOP SECRET [WASHINGTON,] February 17, 1953.

Subject: Five Power Liaison Machinery in Accordance with Recommendation of the Report of the Five Power Military Conference on Southeast Asia held in Washington October 6–17, 1952

The Five Power Conference of Military Representatives held in Washington in October 1952 was for the purpose of concerting military measures to be taken by the five powers in Southeast Asia in the event of overt Chinese aggression in the area, more particularly a Chinese Communist invasion of Tonkin. The over-all conclusions of the conferees were as follows:

"40. Air, ground and naval action limited only to the areas of aggression and contiguous areas of China offers little prospect of causing Communist China to cease its aggression.

"41. The imposition of a total sea blockade, in conjunction with the actions limited to the areas of aggression and contiguous areas of Communist China, might have a significant cumulative effect. This course of action offers little assurance of forcing the Chinese Communists to cease aggression.

"42. A combination of all coercive measures including the defence of the areas of aggression, interdiction of the lines of communication, a full sea blockade and air attacks on all suitable targets of military significance in China, insofar as they are within the Allied capabilities, plus such reinforcements in time and scale as may be practicable in the immediate area, offers the best prospect of causing Communist China to cease an aggression." [2]

The agreement contained in paragraph 42 represented definite progress in that all the powers concerned agreed on the measures which would offer the best prospect of causing the Communist Chinese to cease aggression. There was not, however, any agreement as to the military requirements for putting into effect these coercive measures. There were wide divergencies between ourselves and the British on the subject of a sea blockade and on the planes required for successful air action.

The military conferees under the heading of "Conditions to an Effective Military Action" also reached agreement on the following:

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[1] Filed with a covering memorandum of the same date from Bonsal to Allison, not printed.

[2] The quotation is from the Conference Report of Oct. 17, 1952, p. 230.

"43. Any action taken against Communist China should be swift and effective and so conducted as to show the Chinese Communists the determination of the Allies to cause them to cease aggression.

"44. If action is to be prompt, the several participating nations obviously must have plans ready which have been fully coordinated in respect to action to counter the enemy at the actual scene of aggression and in areas immediately contiguous thereto. This coordination, which includes the full exchange of pertinent current intelligence, agreed communication procedures and other information essential to most effective cooperation, may require the setting up of a staff agency so that contacts are maintained and necessary studies continued. The respective Commanders in Chief in the areas concerned should be charged with the earliest implementation of such action as may be appropriate in this regard. The United States delegation is of the opinion that, insofar as United States participation is concerned, the United States Commander in Chief in the area now has the machinery for carrying out his part of the coordination necessary.

"The Australian delegation, whilst accepting the necessity for coordination, did not express a view upon the machinery which may be required."

Early in December the French Government approached our Embassy in Paris and the Department stating that the report of the military conferees had received the approval of the French Cabinet and that, at the projected talks between Secretary Acheson and M. Schuman in Paris that month, the carrying out of the recommendation contained in paragraph 44 cited above would be raised, i.e., the establishment of whatever five power liaison machinery might be thought desirable. The subject was at once raised by the Department with the Joint Chiefs of Staff and after some delay the following position was telegraphed to the Secretary in Paris: [3]

"1. If Schuman raises question of establishment of liaison staff organization for Southeast Asia, Secretary shall say that US, for its part, is prepared to designate CINCPAC to establish and maintain with appropriate military representatives of other four powers liaison arrangements for exchange of military information concerning Southeast Asia.

"2. Secretary will make clear to Schuman that objective of such liaison arrangements, from US point of view, would be exchange of military information concerning the area on informal and need-to-know basis at the call of any one of the five, and that such liaison should provide, under concept expressed in paragraph 3 below, for:

> "a. Appropriate exchange of intelligence;
>
> "b. Establishment of such coordinated communications procedures as may be essential to effective implementation of plans; and

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[3] Telegram 3411 to Paris, Dec. 16, 1952. (790.5/12-1652)

"c. Such coordination of appropriate portions of approved national plans as may increase the effectiveness of the over-all strategic defense of Southeast Asia.

"3. From the US point of view machinery for undertaking the coordination envisaged above should be based on the following:

"a. It should permit participation on an on-call and need-to-know basis, not only by each of the five powers currently involved, but if subsequently it appears desirable by additional Southeast Asian countries.

"b. It should permit the designated military representatives of any participating country to communicate with any one or more of the military representatives of the other countries, in person or through appointed liaison officers, and at such times and places as those concerned in the specific matters to be discussed mutually agree upon. Under this concept it would not be necessary or desirable to invoke a meeting of all representatives each time a representative has matters to be considered. In each case only those directly concerned need meet.

"c. The machinery should not provide for establishment of a formal body or committee and in consequence there should be no requirement for a permanent chair nor for regular meetings."

The Secretary at his meeting with Messrs. Schuman and Eden in Paris on December 18 made the following statement with regard to this matter: [4]

". . . I said that instructions had been issued to Admiral Radford to detail an officer who would confer with the British and French officer and to set up a liaison group. I wanted it clearly understood that what Admiral Radford would discuss was the sort of liaison group which would operate under field conditions. We did not want a committee; we did not want secretaries; and we did not want minutes. All that was necessary was to have competent officers, who would exchange full information, so that the commanders of all three forces would be in touch and would be informed. I gathered from him that this was the sort of arrangement which he had in mind, although he did not commit himself in any detail. However, he said that what he contemplated in the first instance was a meeting of the commanders to work out the arrangements. Mr. Eden intervened to say that General Harding [5] had instructed the British commander in Southeast Asia to meet at any agreed point. I said that this was a new idea to me and that I did not altogether see why Admiral Radford, who had just been in the Far East, should return there when some deputy might be adequate. However, I was not in a position to speak further on the subject, except that I could not commit Admiral Radford in person. I would report this suggestion to Washington and would then communicate with the Foreign Office as to whether Admiral Radford himself would be willing to meet or would send one of his staff officers."

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[4] The quotation is from Acheson's memorandum (drafted Dec. 22) of this meeting, at which Letourneau was also present. According to Acheson, Letourneau had stressed the fact that France regarded the recommendations as having considerable binding force. For the complete text of the memorandum, see vol. XIII, Part 1, p. 323.

[5] Gen. Sir John Harding, Chief of the Imperial General Staff.

In order to facilitate a determination as to the next step to be taken in this matter, a meeting was held in the Department on January 12 attended by representatives of the Embassies of the four countries involved in addition to the United States plus Admiral H. Page Smith, Director of the Office of Foreign Military Affairs in the Office of the Secretary of Defense and from the Department Messrs. Nolting (G), Peterson (BNA)[6] and Bonsal (PSA). A memorandum[7] covering this meeting was made available to all US participants and copies were sent to the Embassies concerned and to the Consulate General in Singapore. Pertinent paragraphs from this memorandum are the following:

"Mr. Nolting expressed the general philosophy with which the Secretary approached this problem at Paris where he discussed the matter at a meeting with Messrs. Eden and Schuman on December 18. He said that what we envisaged was that each of the Commanders in the area would designate one of his officers for the performance of the functions described above. He said that we contemplated that meetings would be held on an *ad hoc* basis on the initiative of any one of the five commanders. He said that we did not envisage any permanent setup involving a secretariat, the keeping of minutes, etc. Admiral Page Smith confirmed this point of view.

"Mr. Millet stated that the French Government had in mind that the first step would be for the five military commanders in the area to designate representatives who would get together in order to formulate recommendations as to the liaison machinery (which might be a staff agency) required in order to achieve the purpose laid down as desirable by the military Conference of last October; namely, the full exchange of pertinent current intelligence, agreed communication procedures and such coordination of plans as might be necessary. He said that it was his understanding that these recommendations would then be submitted to governments for approval at the political level.

"Mr. Tomlinson, of the British Embassy, indicated that he had a different understanding of the situation. He understood that the British Chiefs of Staff and Foreign Office were currently engaged in studying a French proposal involving 'terms of reference' for the setting up of a new international body to do what was contemplated in Article 44 of the Military Conference Report. He said that until this examination had been completed, he did not believe that the British Commanders in the Southeast Asian area could receive any instructions. It developed, upon further discussion between Messrs. Millet and Tomlinson, that the 'terms of reference' which

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[6] Frederick E. Nolting, Special Assistant to the Deputy Under Secretary of State, and Avery F. Peterson, Officer in Charge of Dominion Affairs.

[7] Memorandum by Bonsal dated Jan. 12. (790.5/1–1253)

Mr. Tomlinson alluded to were the same as those contained in Article 44 of the Military Conference Report.

"Mr. McNicol, of the Australian Embassy, and Mr. Laking, of the New Zealand Embassy stated that although they were generally aware of the fact that there had been discussion between Acheson, Schuman and Eden on this subject they were sure that their governments had no detailed views as to what should be the next step.

"The United States representatives stated that their view of future procedure was similar to that set forth by the French representatives and that they believed it would be desirable, when agreement has been reached by all five governments concerned, to issue instructions to Admiral Radford along the lines of those already issued to General Salan. There was general agreement to the fact that the proposed new machinery or arrangements were designed only to deal with the contingency of a further Chinese Communist aggression since the 'terms of reference' of the October Military Conference were addressed to this contingency.

"After considerable further discussion, it was agreed that each of the representatives present at the meeting would report back to their government and would endeavor to secure a further expression of views. It was also agreed that a further meeting would be called as soon as there were any further developments for consideration and at the call of any participant."

Later developments were as follows:

(a) On January 28, Mr. Tomlinson left with the Department an *aide-mémoire* reading as follows:

> "Her Majesty's Government are agreeable in principle to the establishment of a Five-Power Staff Agency for Southeast Asia, whose functions would cover the exchange of intelligence, operational planning to counter possible further Chinese aggression and studies of logistics and communications. Her Majesty's Government also agree to a preliminary meeting of the Allied Commanders concerned for the purpose of making recommendations to Governments on future procedure."

(b) On February 2, M. Millet left with the Department a document said to have been discussed by Gen. Ely of the standing group with Gen. Elliot of the UK and with Gen. Omar Bradley and alleged to have the approval of the aforesaid generals. This document in the form of a proposed "Draft Resolution" to be accepted by all five powers concerned reads as follows:

> "1. The Governments of Australia, France, New Zealand, the United Kingdom and the United States have agreed, within the framework of the report of the military conference of the five powers (par. 43, 44), on the principle of establishing for South-East Asia, a staff agency of the five powers whose task would include exchange of information concerning the enemy, preparation of plans for the most efficient allied operational cooperation in the case of Chinese aggression and the study of logistical and transmission questions.

> "2. The five Governments are also in agreement for a preliminary meeting of the interested Supreme Allied Commanders and of the representatives of the Chiefs of Staff of Australia and New Zealand, the objective of this meeting would be to prepare recommendations to be transmitted to the Governments as to the procedure to follow.
>
> "3. It is therefore recommended that:
>
> "a) the French Government informs the General, Commander in Chief in Indochina, of these agreements and instructs him to invite the British Defence Committee Far East, the 'CINCPAC' and the designated delegates of the Chiefs of Staff of Australia and New Zealand to participate or to send their representatives to the preliminary conference which will be held as soon as possible at a place to be agreed between them.
>
> "b) The Governments of Australia, of New Zealand, of the United Kingdom and of the United States advise their military authorities of their agreement upon the principle establishing the staff agency as well as upon the meeting and the object of the preliminary conference and that the Governments of Australia and New Zealand send to the French Government the names of the military representatives they will have designated."

This document was transmitted immediately to Admiral Page Smith and to the other US participants at the earlier meeting.

(c) On February 9 the British Embassy advised that the British Joint Chiefs thought it would be a good idea if the contemplated preliminary meeting to devise ways and means of carrying out the agreed objectives could be attended by the Commanders in Chief in Southeast Asia and that in any case no one of lesser rank than chief of staff of the Commanders in Chief should attend the proposed preliminary meeting.

(d) On February 10 the Australian Embassy delivered an *aide-mémoire* reading as follows:

> "The Australian Embassy wishes to inform the Department of State that the Australian Government is agreeable to the convening of a preliminary meeting of staff officers for the purpose of discussing further the setting up of a staff agency in accordance with the recommendations set out in paragraph 44 of the Report of the Five Power Military Conference on South East Asia.
>
> "It is the understanding of the Australian Government that the establishment of a staff agency will depend upon decisions by Governments following on the preliminary meeting of staff officers."

This was distributed as above to the US participants in the meeting and to the Embassies concerned.

(e) On February 12 a communication was received from Admiral Page Smith [8] to the effect that the French Embassy erred in stating that the memorandum set forth in paragraph (c) [(*b*)] above had prior approval of Gen. Omar Bradley. Admiral Smith stated: "On the contrary he (Gen. Bradley) has maintained with the Joint Chiefs of Staff a constant objection against use of the term 'staff agency' with its implication of a formal body or standing group in describing the agreed liaison arrangements." Admiral Smith attached a proposed document in substitution of the French memorandum. This document is entitled "Proposed Method of Establishment of Liaison Machinery for Southeast Asia Military Discussion." It reads as follows:

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[8] Undated memorandum from Rear Admiral Smith to Bonsal. (790.00/2–1253)

> "1. The Government of Australia, France, New Zealand, United Kingdom and the United States have agreed, within the framework of the report of the military conference of the five powers (Paragraphs 43 and 44), in the interest of coordination of action in Southeast Asia, to establish liaison arrangements for exchange of pertinent intelligence, agreed communication procedures and such coordination of appropriate portions of approved national plans as may increase the effectiveness of the over-all strategic defense of Southeast Asia.
>
> "2. It is therefore recommended that the Governments concerned:
>
> "a. Designate their military representatives who will undertake the necessary liaison and inform the other participants of their selection.
>
> "b. Authorize the designated military representatives to establish liaison on an informal and need-to-know basis at the call of any one representative in accordance with the following concept:
>
> "(1) The designated military representatives of any participating country should be permitted to communicate with any one or more of the representatives of the other countries, in person or through appointed liaison officers, at such times and places as those concerned in the specific matters to be discussed mutually agreed upon. Under this concept it would not be necessary or desirable to invoke a meeting of all representatives each time a representative has matters to be considered. In each case only those directly concerned need meet.
>
> "(2) The machinery should not provide for the establishment of any form of standing group, formal body or committee and in consequence there should be no requirement for a permanent chair or for regular meetings."

(f) On February 13 the New Zealand Embassy delivered an *aide-mémoire* which is quoted below:

> "The New Zealand Government is agreeable to be represented at a preliminary meeting to discuss further the scope and implications of the proposal to establish a staff agency in accordance with the recommendation contained in paragraph 44 of the Report of the Five Power Military Conference on South East Asia.

> "The New Zealand Government considers that the functions of the agency should be limited to those contemplated by paragraph 44 of the Report, that meetings should be on an *ad hoc* basis and that the establishment of a permanent body or secretariat should be avoided."

On February 13 the entire subject was taken up by the Joint Chiefs of Staff.[9] It is our understanding that General Bradley withdrew his approval from the memorandum cited in paragraph (e) above and that the question of any meeting at all between military representatives of the five powers in Southeast Asia was called into question. Among the various points raised was one to the effect that until political decisions had been reached regarding action which would be taken in the area, there would be no use having military meetings. It was not made clear just why liaison machinery of the type contemplated in paragraph 44 of the military representatives conference report of last October would not be of value even in the absence of political decisions in the event of an overt Chinese Communist aggression.

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[9] A memorandum on the substance of discussions at a State Department-Joint Chiefs of Staff meeting held on that date, at which the question of five-power talks was considered, is not printed. (State-JCS Meetings, lot 61 D 417)

790.5/2-1853: Telegram

The Ambassador in Thailand (Stanton) to the Department of State

SECRET BANGKOK, February 18, 1953—10 a.m.

1601. Thai Government and press have been following closely development foreign policy with considerable anticipation US will take more positive action in defense Southeast Asia against Communist menace. Reference Embtels 325, August 22, 1952; 569, October 2, 1952; 1324, January 15, 1953.[1]

While Thais thoroughly realize effective defense against Communism in Asia must depend largely upon support Western Powers particularly US there is as noted in Embtels 325 and 569 an undercurrent concern major Western Powers determined exercise kind of White man's monopoly over defense Southeast Asia. Since Thailand has participated in UN Korean action and generally aligned itself with free world in UN activities Thais inclined be puzzled if not resentful over what appears to them continued Western Power exclusiveness regarding Southeast Asian defenses. US-French discussions in Washington last year regarding Indochina, ANZUS Conference in Honolulu and reported "Top Secret" meeting in September among US, Britain, France, Australia and New Zealand while indicating positive US interest in defense area also served emphasize exclusively Western Power character such defense plans.

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[1] None printed.

I fear recent press reports will lead Thailand believe we committed such policy. For example AP Washington press despatch February 11 claiming US intends carry on further exchanges military information regarding Southeast Asia defense with Britain, France, Australia and New Zealand and has agreed to French proposal for establishment liaison group will likely arouse same reaction as reports previous Indochina discussions and ANZUS Conference not withstanding Thailand desire see US take firmer stand in Southeast Asia.

Fully appreciate difficulties from security standpoint taking Thais or other Southeast Asians into our confidence especially on matters of military nature but feel it essential take into account Thais sensitivity. I am convinced our economic and military aid to Thailand must be supplemented by greater effort our part identify Thailand politically with general pattern our defense plans. Communist propaganda of course ceaselessly plays on theme US economic and military aid Thailand merely device by which US hopes use country for our own strategic purposes.

I have previously recommended (Embtel 325) we make greater efforts keep Thais fully advised as security requirements permit US aims and objectives in any important meetings or discussions concerning Southeast Asian defense. I am sure Thai Government must at times resent fact that its information on such vital matters must come from subsequent press accounts.

In recent conversation with British Ambassador [2] (Embtel 1324) we discussed possibility stimulating greater Thailand–Malaya cooperation by arranging joint British-Thai naval and air maneuvers. I also feel such joint activities should be encouraged whenever and wherever feasible as another measure convince Thais we are willing take them into our confidence on matters affecting defense this area.

Thailand's constructive participation activities of UN has proved of value to US by intensifying our Asiatic policies with Asians themselves. This participation has also gone far to discourage neutralist sentiment in Thailand and convince Thailand of efficacy of positive association with free world. At same time Thai association with US in UN has provided clear proof we are willing to work with and take them into our confidence as equals. From our experience with Thais in UN therefore would appear most desirable we endeavor extend this cooperation association to problem regional security in Southeast Asia.

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[2] Geoffrey Arnold Wallinger.

STANTON

State–JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

[Extract] [2]

TOP SECRET [WASHINGTON,] February 20, 1953—11:30 a.m.

. . . .

FIVE-POWER TALKS ON SOUTHEAST ASIA

Mr. Matthews: We are under increasing pressure to get on with these five-power talks and we feel we have made a definite commitment. In December we sent to Secretary Acheson in Paris a statement by the JCS [3] concerning their views on the talks (Mr. Matthews read the document). We feel, in the light of this document which we passed on to the French, that we should go forward. We recognize that your view on the problem of joint planning at this stage is valid but we do think we would have to go ahead, at least on parts a and b.

General Bradley: The exchange of intelligence is already going on.

Admiral Fechteler: On communications, some circuits have gone up.

General Bradley: As far as plans are concerned, we have plans with New Zealand and Australia and we could talk these plans over with them. Have we ever authorized Radford to talk things over with the French?

Admiral Fechteler: No.

General Bradley: Well, there is no reason we can't.

Admiral Fechteler: He is already talking about a transfer of carrier air. I think this is pretty well in hand.

General Bradley: On things that are already planned, I don't see why we shouldn't go ahead with talks.

General Collins: Is the difficulty that the thing isn't sufficiently formalized? What is wrong?

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[1] A note on the title page reads: "Draft. Not cleared with any of participants."

[2] The omitted material includes a list of the persons present (29). All the members of the Joint Chiefs of Staff attended the meeting. Matthews headed the Department of State group.

[3] Quoted in Bonsal's memorandum to Allison, Feb. 17, p. 267.

Mr. Matthews: I thought what had been done, had been done without any discussions in the group.

General Bradley: What do we need to do to carry out the commitments?

Mr. Bonsal: The specific thing before us is whether there could be a meeting, probably in Singapore, to make recommendations to governments for implementing paragraph 44 of the Five Power Military Report of last October.[4] It would be a procedural meeting and we would be able to see how we could achieve the objectives. We aren't now committing ourselves to set up a planning agency.

General Vandenberg: Like I said before, I think you have to go further than that.

General Bradley: To do what we said we would do in December, I think we could have meetings along these lines.

General Vandenberg: I don't know what they will accomplish.

Admiral Fechteler: It's largely in hand already.

General Bradley: But they want a meeting.

Mr. Matthews: Yes, that's what they want.

General Bradley: You'd have to carry the ball.

Mr. Matthews: You should send instructions to Radford.

General Bradley: We ought to use what you have read, Doc, as the basis.

General Vandenberg: You could say we have been doing this already, but now we want to make a show.

Mr. Bonsal: We would want to inform the other countries.

General Bradley: Yes, I think that's all right.

General Collins: We ought to make it clear we aren't asking Radford to make new plans with the five of them.

Mr. Matthews: Fine.

. . . .

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[4] Dated Oct. 17, 1952, p. 230.

790.5/2-2853: Telegram

The Secretary of State to the Embassy in France [1]

TOP SECRET WASHINGTON, February 28, 1953—2:12 p.m.

4664. Reference previous communications and especially to report of Five Power Military Conference Southeast Asia held here last October and memoranda conversation regarding implementation Article 44.

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[1] Cleared with the Department of Defense and also sent to Canberra, London, Saigon, Singapore, and Wellington.

Following is text instructions being forwarded by JCS to CINCPAC:

> "1. JCS desire that you initiate arrangements with the principal military commanders of Australia, France, New Zealand, and United Kingdom in Southeast Asia region for an early meeting between your representatives and theirs at a convenient time and place. Purpose of the meeting is to explore possible procedures for implementation of coordinating measures described in paragraph 44 of the Report of the Five-Power Conference on Southeast Asia. Measures recommended will be subject to approval by the respective Chiefs of Staff or their equivalent.
>
> 2. The agenda which you propose for this meeting should include the following:
>
> a. Adequacy of present arrangements for exchange of current intelligence.
> b. Adequacy of established and planned communication systems and procedures.
> c. Exchange of operational planning information respecting approved national plans involving evacuation of Indochina and Hong Kong.
> d. Machinery for further coordination of national plans which may be approved in the future.
> e. Recommendations to be forwarded to the respective Chiefs of Staff or their equivalent." [2]

We are informing representatives here of governments concerned of fact that instructions have gone forward but we are not showing them text. We are stating that US Govt is in agreement to preliminary meeting of representatives of Southeast Asia area Commanders for purpose making recommendations to governments regarding implementation paragraph 44 of five-power report. We are stressing view previously expressed particularly by Secretary Acheson in Paris to effect we oppose any formal organization involving permanent secretariat, etc.

Above is for your information. In event you receive inquiries suggest reply be on general basis of US position expressed in Jan 12 memo of conversation airmailed you.[3]

DULLES

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[2] These instructions were sent to CINCPAC in telegram JCS 932447, Feb. 27. (JCS records, CCS 092 Asia (6–25–48))

[3] Bonsal's memorandum of a conversation held Jan. 12 on this subject is quoted in his memorandum of Feb. 17 to Allison, p. 267.

Conference files, lot 59 D 95, CF 139

Position Paper Prepared for the Secretary of State [1]

SECRET [WASHINGTON, March 4, 1953.]

UK INTEREST IN ANZUS

Discussion:

In the spring of 1952 the UK began a series of approaches to the US, Australia and New Zealand in connection with its desire to participate in ANZUS at least to the extent of having a UK observer attend meetings of the ANZUS Council. Since that time, the three countries have informed the UK on many occasions and at various levels that the ANZUS signatories appreciate UK interests and responsibilities in the Pacific; that they are bearing these interests and responsibilities in mind; and that they are keeping the UK currently and fully informed of ANZUS proceedings and plans.

Although the New Zealanders have been particularly distressed by the pressure directed at them by the mother country, they and the Australians have continued to adhere to the decision reached by the ANZUS Council at its Honolulu meeting last August. (See "US Position") [2] The Secretary of the New Zealand Department of External Affairs [3] has told us that he is strongly opposed to any expansion of ANZUS at this time. We know that the Australians have been considerably irritated by the UK attitude, by the "inspired" stories which have appeared in the British press, and by Mr. Churchill's failure to tell Canberra what line he proposed to take in New York in January and, later, to render an account of the meeting. Last October Prime Minister Menzies told an officer of our Embassy at Canberra that he considered one of Mr. Churchill's messages to him on this subject to be a "stinker". Last week, Mr. Alan Watt, Secretary of the Australian Department of External Affairs, visited Washington and told us that his Government remains as firmly as ever of the view that UK participation in ANZUS at this stage would be unwise. He added that he believed Mr. Eden felt even more strongly about this matter than Mr. Churchill (though this has not been our impression).

It has been hoped that the development of the five-power liaison group for the consideration of the defense of Southeast Asia would provide the UK with a satisfactory substitute for formal participation in ANZUS. This hope is shared by the Australian and New Zealand Governments.

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[1] Prepared for Dulles' talks with Eden, who was in Washington Mar. 4-7. For documentation on his visit, see volume VI.

[2] That portion of the paper is not printed.

[3] A. D. McIntosh.

[Here follows a résumé of developments covered in previous documentation.]

If Mr. Eden presses you, you might suggest to him that the US would be willing to study and to recommend for consideration by the ANZUS Council the suggestion made by Prime Ministers Menzies and Holland to Mr. Churchill at London last December (and contained in the memorandum Mr. Churchill handed you at New York) that a relationship be established between ANZAM (the UK-Australian-New Zealand military planning organization) and the military representatives group of ANZUS.[4]

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[4] No indication that an ANZUS-ANZAM relationship was raised by or discussed with Eden during his visit has been found in Department of State files.

Editorial Note

At the beginning of a memorandum to the President dated March 6, Dulles wrote:

> "In the talks on March 5 with Mr. Eden, the Secretary of State outlined the general thinking of the United States with respect to the over-all strategic situation in Asia. He stressed the unity of the whole front extending from Korea to Indo-China and pointed out the necessity of creating a threat of pressures in the center (mainland China) to the end that it would make it less likely that the Chinese Communists would send increased forces to help the Communist rebels in Indo-China or to send additional forces into Korea. Mr. Dulles stated, in response to a question from Mr. Eden, that the United States Government had not as yet made any decisions with respect to specific courses of action to be taken in the Far East but that it was studying the problem from all angles." (790.00/3-653)

For the full text of this memorandum, see volume XV, Part 1, page 805.

Conference files, lot 59 D 95, CF 141

United States Minutes of the First Plenary Session of the United States-French Political Talks [1]

[Extract] [2]

SECRET
FPT MIN-2

WASHINGTON, March 26, 1953—3:30 p.m.

. . . .

Coordination of Action in Southeast Asia [FPT Agenda 1, item B] [3]—Turning to the second item on the agenda for the meeting, Mr. Mayer posed the following two questions: (1) What course of action would the U.S. follow should the Chinese Communists begin aggressive action in Tonkin? (2) What would happen in Indochina if it appeared that an armistice were reached in Korea? He asked Mr. Letourneau to amplify both questions.

With respect to the first question, Mr. Letourneau said that several military conferences had been held on this subject in Singapore and Washington but certain questions still remained unanswered. For example, what could be expected in the way of aid in case of Chinese aggression if it became necessary to save the maximum number of troops? This was particularly important since the best French troops were in the Tonkin area and therefore outside help would be necessary to evacuate them, either by sea or air. Mr. Letourneau said that he still had no idea what could be expected from the U.S. should such an aggression take place. Another point which was still unanswered was what would be done if it were considered possible to defend the Tonkin area. Elaborating on the second question, Mr. Letourneau asked what would happen if the U.N. reached an agreement with the Chinese and North Koreans which, by releasing troops from Korea, increased the risk in Indochina.

Secretary Dulles replied that he would attempt to answer Mr. Mayer's second question and would ask Mr. Nash to handle the first question. Referring to his earlier statement that a Chinese

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[1] A French delegation, headed by Prime Minister René Mayer, whose cabinet had succeeded Pinay's in December 1952, was in Washington, Mar. 25–28, for conversations with U.S. Government officials. For additional documentation on these talks, see volume VI, and vol. XIII, Part 1, pp. 423 ff.

[2] A list of 68 persons present is part of the omitted material. Besides Mayer, leaders of the French delegation included Georges Bidault, Minister of Foreign Affairs; Maurice Bourgès-Maunoury, Minister of Finance; and Letourneau. American participants included Dulles; George Humphrey, Secretary of the Treasury; Stassen; and Frank Nash, Assistant Secretary of Defense (International Security Affairs). Ambassador Tran Van Kha of the State of Vietnam and Ambassador Nong Kimny of Cambodia also attended.

[3] Brackets in the source text.

Communist attack in Indochina seemed unlikely, Secretary Dulles explained that he believed that such an aggression would not take place since the Communists recognized that such an action would induce much more serious consequences than any gain which they might obtain in Indochina. He pointed out that the action of President Eisenhower in ending the mandate over the Seventh Fleet to prevent an attack on the Chinese mainland opened large vistas of trouble—by sea and air operations—against the Mainland. Furthermore, the tenor of the President's State of the Union Address [4] and the general attitude of the present Administration made it unlikely that the Chinese Communists would undertake any foolhardy action which entailed such tremendous military risks.

Answering the first question posed by Mr. Mayer, Mr. Nash said that there had been several military discussions—the first in February 1952—but that full agreement had not yet been reached on precise courses of action. However, considerable progress was being made on courses of action, and at the recent five-power meeting between the U.S.-U.K.-France-New Zealand-Australia, it was agreed that further talks should take place on the subject of implementation. As a result of this decision, Admiral Radford had issued an invitation to the other powers to meet for a conference at Pearl Harbor on April 6th to discuss intelligence matters, communications, and national plans, as far as practicable. Invitations had been accepted by all the powers except France who, it was understood, felt that it would be more desirable to hold the conference in Saigon. The U.S. position had been that if Saigon were selected, considerable pressure would be exerted by nearby countries to join the conference.

As to the question of evacuation in case the Chinese Communists should invade the Tonkin area, Mr. Nash recalled that the one point upon which agreement had been reached in the February 1952 talks was on the question of improving the port at Haiphong in order to insure prompt evacuation of French troops if that were necessary. More recently, the port, improvements had been going forward for a more dynamic purpose—to provide a more expeditious method of unloading the end-item equipment in Indochina to aid General Trapnell [5] in his MAAG functions.

Mr. Letourneau replied that he quite agreed with Mr. Nash that it was preferable to hold the next military meeting in Pearl Harbor rather than Saigon. The earlier point at issue was not the French insistence upon Saigon as a conference site but rather the uncertainty that the Commander-in-Chief in Indochina, General Salan, would be able to leave Indochina to attend the meeting. Recently it had been learned from Admiral Radford that another representative might attend the meeting in General Salan's place and, therefore, Mr. Letourneau was able to state that France had agreed to the April 6th meeting.

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[4] For pertinent excerpts from Eisenhower's message to the Congress of Feb. 2, 1953, see Department of State, *American Foreign Policy: Basic Documents, 1950–1955,* vol. I, p. 61.

[5] Brig. Gen. Thomas J. H. Trapnell, Chief of MAAG in Saigon from August 1952.

Secretary Dulles, referring back to the question of the effect on Indochina of an armistice agreement in Korea, stated that such an agreement did not appear likely. He said that if an armistice in Korea did occur, and if such an armistice were used as an excuse by the Chinese Communists to transport troops from Korea into Indochina, the U.S., as a member of the U.N., would consider that such action made peace impossible and that such an armistice would automatically have failed. Mr. Mayer replied that he was happy to receive this assurance. Secretary Dulles concluded the discussion of Southeast Asia by recalling that President Eisenhower, in his State of the Union Address, had coupled the war in Korea with that in Indochina and Malaya—as part of the same struggle.

. . . .

790.5/4-253

Memorandum of Conversation, by the Director of the Office of Philippine and Southeast Asian Affairs (Bonsal)

TOP SECRET [WASHINGTON,] April 2, 1953.

Subject: Establishment of Five Power Liaison Machinery Recommended in Paragraph 44 of the Five Power Military Representatives Conference on Southeast Asia held in Washington on October 6–17, 1952

Participants: Mr. Peter Campbell, First Secretary, Canadian Embassy
Mr. Philip W. Bonsal, PSA

Mr. Campbell of the Canadian Embassy came in this morning at his request. He left with me a copy of a telegram from the Canadian Foreign Office sent to the Canadian Embassy, dated March 28, the text of which is as follows:

> "After careful consideration, the Ministers have decided not to seek an invitation for a Canadian observer to attend the proposed five-power military conference which is to be held at Pearl Harbour on April 6. We are, however, interested in the discussions, particularly in any discussion of redeployment of forces from Korea and in any consideration that might be given to the establishment of new consultative machinery.

"Please tell the United States authorities that we considered seeking an invitation for an observer, but have decided not to do so; and that we should like to be informed of the results of the discussions that are to be held. At the same time, you might indicate that you may wish later on to discuss informally the wider implications of these Southeast Asia talks. We are particularly interested in the prospects of new political groupings or bodies being set up to consider the defence of any Pacific or Asiatic area. We hope to send you later fuller guidance on this point."

I thanked Mr. Campbell for letting me have this information. I insisted upon the purely military-technical character of the current conversations and the meeting in prospect. I asked him if his government had any particular ideas regarding "new political groupings or bodies" which would contribute to the defense of any Pacific or Asiatic area. He replied in the negative. He explained that the problem faced by the Canadian Government is one of meeting domestic political criticism in consequence of activities in the Pacific in which Canada does not participate.

I expressed full understanding of the Canadian position and appreciation at Mr. Campbell's letting us have the views of his government.

State–JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

[Extract] [2]

TOP SECRET [WASHINGTON,] April 3, 1953—11 a.m.

. . . .

Mr. Nash: There is another question I would like to bring up. The 6th of April Radford will be holding his Five-Power Military Talks. In our recent talks with the French we were asked what progress had been made in developing the military position in regard to Chinese Communist aggression in Southeast Asia. I could only answer them by reviewing what has happened up till now. I think we will probably be pressed again in Paris to move further in developing our position.

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[1] A note on the title page of the source text reads: "Draft. Not cleared with any of participants."

[2] A list of participants (20) forms part of the omitted material. Of the members of the Joint Chiefs of Staff, General Collins and Admiral Fechteler attended. Matthews headed the Department of State group.

General Collins: I personally don't think any further military talks about Southeast Asia will be fruitful without further political guidance.

Mr. Nash: We need to get somewhere on our position after the Pearl Harbor talks, which will be unimpressive. We can expect to be under pressure in Paris to go forward towards some sort of understanding.

Mr. Allison: It was my impression in the ANZUS talks that Australia and New Zealand were somewhat closer toward our position. Could we not use them to put some pressure on the U.K.?

General Collins: It was my impression that the ANZUS talks were primarily addressed to the contingency of global war and it might be that the Australians and New Zealanders were addressing themselves to that question rather than the question of local aggression in Southeast Asia.

Mr. Nitze: It seems to me that we might undertake to try and get up some sort of draft of a political understanding which might be useful as guidance for military talks.

S/S-NSC files, lot 63 D 351, NSC 148

Note to the National Security Council by the Executive Secretary (Lay)

TOP SECRET

WASHINGTON, April 6, 1953.

NSC 148

References:

- A. NSC 146 and Annex to NSC 146 [1]
- B. NSC 147 [2]
- C. NSC 125/4 [3]
- D. NSC 48/5
- E. NIE-47 [4]

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[1] NSC 146 is a report entitled "U.S. Objectives and Courses of Action With Respect to Formosa and the National Government of China", dated Mar. 27, 1953. The Annex to it is a staff study of the same title dated Mar. 30. (S/S-NSC files, lot 63 D 351, NSC 146 Series) For text of NSC 146/2, see volume XIV.

[2] NSC 147, Apr. 2, 1953, is a report entitled "Analysis of Possible Courses of Action in Korea". For text, see vol. XV, Part 1, p. 838.

[3] NSC 125/4 is a report entitled "United States Objectives and Courses of Action With Respect to Japan", dated Mar. 30, 1953. For documentation on the NSC 125 Series, see volume XIV.

[4] Dated Oct. 31, 1952, not printed; a copy is in INR-NIE files.

UNITED STATES POLICIES IN THE FAR EAST

The enclosed draft statement of policy on the subject, prepared by the NSC Planning Board, [5] is transmitted herewith for consideration by the National Security Council at its meeting on April 8. Enclosed for Council information is a Far East Financial Summary which incorporates the information in the separate financial appendices on Formosa and the National Government of China, and on Japan which have been circulated separately with the reports on those areas. Also enclosed for Council information is an Annex constituting a staff study on Communist China.

In addition to the enclosed general policy statement, individual reports have previously been submitted by the Planning Board on Korea (NSC 147), on Formosa and the National Government of China (NSC 146 and Annex), and on Japan (NSC 125/4), for consideration by the Council at its meeting on April 8.

The enclosed statement of policy is intended to supersede those portions of NSC 48/5 not previously superseded.

It is recommended that if the enclosed statement of policy is adopted, it be submitted to the President with the recommendation that he approve it and direct its implementation by all appropriate executive departments and agencies of the U.S. Government under the coordination of the Secretaries of State and Defense.

JAMES S. LAY, JR.

[Enclosure]

DRAFT

STATEMENT OF POLICY PROPOSED BY THE NATIONAL SECURITY COUNCIL ON UNITED STATES POLICIES IN THE FAR EAST*

GENERAL CONSIDERATIONS

1. United States policy in the Far East should carry out in that area our basic security policies as most recently stated in NSC 135/3.[6] In the Far East we should assist in strengthening the free

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[5] The Planning Board formulated policy recommendations for the consideration of the National Security Council; the function of the Operations Coordinating Board was to coordinate the implementation of NSC policy. For documentation concerning their establishment, see volume II.

* For the purpose of this paper, the following countries are included: Communist China, Korea, Hong Kong, Indo-China, Indonesia, the off-shore island chain (Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand), Malaya, Thailand and Burma. [Footnote in the source text.]

[6] NSC 135/3, a report entitled "Reappraisal of U.S. Objectives and Strategy for National Security", dated Sept. 25, 1952. For text, see volume II.

world vis-à-vis the Soviet orbit, having due regard for United States capabilities and commitments throughout the world. In view of Communist resort to armed force in the Far East, we must act in that area on the basis that the most immediate overt threats to United States security are currently presented in that area.

2. Soviet aims in the Far East appear to concentrate on bringing the mainland of Eastern Asia, and eventually Japan and the off-shore islands in the Western Pacific, under Soviet control, primarily through Sino-Soviet development of the resources of Communist China. The attainment of this objective on the mainland of Eastern Asia would substantially enhance the global position of the USSR at the expense of the United States, by securing the eastern flank of the USSR and permitting the USSR to concentrate its offensive power in other areas. Soviet bloc control of the off-shore islands in the Western Pacific, particularly Japan, would present an unacceptable threat to the security of the United States.

3. In the Far East substantial forces of the United States and the French are tied down in Korea and Indo-China respectively by indigenous communist forces. In neither case are the forces or the prestige of the USSR directly committed. This continual drain on American and French resources has a deleterious effect on the build-up of European defense forces and the strengthening of other areas of the free world, such as the Middle East. As long as such a situation continues, there will be less incentive for the USSR to use its influence to bring about a cessation of these hostilities. The situation of the free world would be greatly improved by a use of increased indigenous forces in the Far East which would permit less extensive use of Western forces.

BASIC GENERAL OBJECTIVES

4. a. As an ultimate objective, the development by the nations and peoples of the Far East, through self-help and mutual aid, of stable and self-sustaining non-communist governments, friendly to the United States, acting in accordance with the purposes and principles of the United Nations Charter, and having the will and ability to maintain internal security, to withstand communist influence, and to prevent aggression.

b. As an intermediate objective, reduction of the power and influence of the USSR in the area, primarily through detachment of China as an effective instrument of Soviet policy.

c. As an immediate objective, cessation of hostilities and stabilization of the situation in the area, on terms acceptable to the United States.

d. In any case, maintenance of the off-shore defense positions (Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand), even at the grave risk of general war.

e. Promotion of a strong, expanding and viable economy in the Far East, free of dependence on Communist China and the USSR, or on artificial forms of any outside support to continue its growth.

f. Maximizing the availability, through mutually advantageous arrangements, of the material resources of the Far Eastern area to the United States and the free world generally, and at the same time denial of these resources to the Communist world.

SPECIFIC OBJECTIVES

5. *Off-Shore Positions.* The United States should take appropriate military action to maintain the off-shore defense positions of Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand.

6. *Regional.*

a. When and where appropriate, the United States should develop further regional security relationships in the Far East.

b. In promoting a strong, expanding and viable economy in the Far East (paragraph 4–e), food supplies, raw materials and general productivity of the area should be materially increased by greater, continuing investment, development and trade within all parts of the free Asian-Pacific area, and greater investment from and trade with other free world regions.

7. *Japan.* See NSC 125/2, August 7, 1952,[7] and NSC 125/4, March 30, 1953.

8. *Philippines.* See NSC 84/2, November 9, 1950,[8] which is hereby reaffirmed.

9. *Korea.* See NSC 147, April 2, 1953, which analyzes possible courses of action in Korea.

10. *Formosa and the Nationalist Government of China.* See NSC 146, March 27, 1953.

11. *Southeast Asia.* The objectives and courses of action set forth in NSC 124/2, June 25, 1952,[9] are hereby reaffirmed. They should be carried out in recognition that real military progress must be made before the end of 1954 in reducing the organized forces of the Viet Minh. To this end, the United States should:

a. Induce the French and the Vietnamese to take the necessary political and other measures to increase the effectiveness and morale of the Vietnamese people and forces.

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[7] For text, see volume XIV.

[8] For text, see *Foreign Relations,* 1950, vol. VI, p. 1514.

[9] *Ante,* p. 125.

b. Give increased aid to the French and Vietnamese in order that they may at once, under an over-all French strategic plan acceptable to the United States and related to UN strategy in Korea, develop the necessary political and military strength.

12. *Communist China.* In addition to the specific objectives of the above-mentioned policies affecting Communist China, the United States should:

a. Continue to support the exclusive right of the Chinese National Government to represent China in the United Nations and other international bodies, and intensify efforts to persuade other nations to adopt similar positions.

b. Continue to seek our immediate limited objective of cessation of hostilities and stabilization of the situation in the area, on terms acceptable to the United States (paragraph 4–c).

c. Both in support of our immediate objective (paragraph 4–c) and in preparation for the contingency of its being unattainable, expand and intensify by all available means efforts to achieve our intermediate or ultimate objectives (cf. paragraphs 4–a and –b), i.e., the reorientation of the Peiping regime, by:

(1) Applying such political, military and economic pressures against Communist China as are determined to be in furtherance of U.S. immediate and intermediate objectives.

(2) Developing non-communist Chinese leaderships.

(3) Influencing the leaders and people in China to oppose the Peiping regime.

(4) Fostering and supporting anti-communist Chinese elements both outside and within China, with a view to developing and expanding resistance in China to the Peiping regime's control.

(5) Stimulating differences between the Peiping and Moscow regimes and creating cleavages within the Peiping regime itself by every practicable means.

13. *Hong Kong.* In the event that Communist Chinese aggression is directed against Hong Kong, the United States should:

a. Furnish relief and evacuation assistance to the British.

b. Consider such military assistance for the defense of Hong Kong as may be appropriate in the light of our own commitments and capabilities at the time.

c. Consider what further action should be taken against Communist China.

[Enclosure]

FAR EAST FINANCIAL SUMMARY

COSTS OF APPROVED AND PROJECTED UNITED STATES ECONOMIC AND MILITARY PROGRAMS IN THE FAR EAST

	Actual		*Estimates*			
	1951	*1952*	*1953*	*1954*	*1955†*	*1956†*
			(millions of dollars)			
Japan	269	154	300	143	1,574‡	
Formosa	190	238	236	395	370	190
South East Asia	434	345	364	542		
Philippines	43	76	54	35		
Korea§	356	387	323	270		
Sub-total	1,292	1,200	1,277	1,385		
Korea (military courses A–F: [10] additional costs)				1,500 to 4,200	2,100 to 5,100	

†Comparable estimates not available for these years. [Footnote in the source text.]

‡Cost of estimated deficit in military program remaining after 1954 financing. [Footnote in the source text.]

§Army relief and reconstruction expenditures. See separate Korea sheet for detail. Decision about economic aid to Korea in connection with the ROK military build-up will await the economic adviser's recommendations. [Footnote in the source text.]

[10] Reference is to the options presented in NSC 147.

The Secretary of the Treasury believes that, before the proposed policies for the Far East are finally approved, the proposed levels of military and economic programs should be reviewed in the light of (a) the priority of financing the present and proposed programs for the Far East in relation to programs for other foreign areas and to programs for domestic security, and (b) the over-all objective of achieving a balanced budget.

JAPAN

	Appropriations				*Estimated Deficit‖ 1955 and 1956*
	1951	*1952*	*1953*	*1954*	
			(millions of dollars)		
Army	78.6	150.0	300.0	40.0	1099.3
Navy	—	—	—	¶30.0	45.7

	Appropriations				*Estimated Deficit‖ 1955 and 1956*
	1951	*1952*	*1953*	*1954*	
Air	—	—	—	73.4	429.4
Total Military	78.6	150.0	300.0	143.4	
Economic**	190.5	4.4	—	—	—
Total Assistance	269.1	154.4	300.0	††143.4	

‖Figures show indicated deficits in financing to reach force goals. Army figure will be subject to adjustment depending upon availability of surplus equipment in the Far East. [Footnote in the source text.]

¶In addition to the Army figures, Public Law 467, 82nd Congress, authorized the loan to Japan of 18 U.S. Navy frigates and 50 landing craft for the Japanese Coastal Safety Force. All but 8 of the frigates have been delivered to the Japanese. [Footnote in the source text.]

**Government and Relief in Occupied Areas (GARIOA). Includes administrative costs and reorientation program. [Footnote in the source text.]

††Special Review of F.Y. 1954 MDA Program submitted to the Bureau of the Budget, March 5, 1953. [Footnote in the source text.]

SOUTHEAST ASIA

Fiscal Years	*Indo-China‡‡*	*Thailand*	*Burma*	*Indonesia*	*Total*
			(millions of dollars)		
1951					
Military Assistance	274.3	41.7	§§3.4		319.4
Economic Assistance	21.7	8.9	§§10.4	8.0	49.0
Export-Import Bank				65.8	65.8
Total	296.0	50.6	13.8	73.8	434.2
1952					
Military Assistance	249.1	37.8			286.9
Economic Assistance	25.0	7.0	14.0	8.0	54.0
Export-Import Bank		1.0		3.4	4.4
Total	274.1	45.8	14.0	11.4	345.3
1953					
Military Assistance	263.7	27.5			291.2
Economic Assistance	‖‖55.5	7.0	7.0	3.5	73.0
Total	319.2	34.5	7.0	3.5	364.2
1954¶¶					
Military Assistance	465.1	29.8			494.9
Economic Assistance	23.0	6.0	14.0	4.1	47.1
Total	488.1	35.8	14.0	4.1	542.0

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‡‡Direct aid only. [Footnote in the source text.]

§§1950–1952. [Footnote in the source text.]

‖‖Includes $30.5 million common use. [Footnote in the source text.]

¶¶Estimates of Office of the Director for Mutual Security. [Footnote in the source text.]

FORMOSA

Appropriations	1951	1952	1953	1954	1955	1956
			(millions of dollars)			
Army			98.2	110	200	40
Navy			23.9	28	10	10
Air			11.8	150	60	60
Common use items			—	30	30	30
Total Military	91.8	157.2	133.9	*318	*300	*†140
Economic	98.4	81.1	102.3	‡77	‡70	‡50
Total Assistance	190.2	238.3	236.2	395	370	190

PHILIPPINES

	1951	1952	1953	1954
		(millions of dollars)		
Economic	15	32	30	17
Military	28	44	24	18
Total	43	76	54	35

*Current Department of Defense estimates. [Footnote in the source text.]

†U.S. cost on maintenance basis. [Footnote in the source text.]

‡Office of Director for Mutual Security tentative estimates. [Footnote in the source text.]

KOREA

After the outbreak of hostilities in Korea the United States Army assumed part of the burden of supporting the economy of the Republic of Korea. Consumption goods and capital construction were furnished by the Army to the Korean civilian population and this has been considered a part of the cost of military operations. Details are given below.

Future plans for, and estimates of the cost of, economic support of the Republic of Korea must await basic decisions as to the size of the ROK forces, the scale of military operations undertaken, and the recommendation of the economic adviser.

Actual and Estimated Expenditures for Grant Aid to Korea

	1951	*1952*	*1953*	*1954*
	(millions of dollars)			
Assistance to ROK (ECA)	28	27	8	—
CRIK§ (Army)	7	75	110	110
Military Funds for relief (Army)	21	81	5	5
Military Funds for reconstruction (Army)	300	200	175	125
UNKRA	—	4	25	30
Total	356	387	323	270

§Civilian Relief in Korea. [Footnote in the source text.]

ESTIMATES OF COSTS OF THE POSSIBLE COURSES OF ACTION IN KOREA SET FORTH IN NSC 147

(Prepared in Department of Defense)

The following estimates of costs of Courses of Action A through F include only the extra identifiable expenditures for the Department of Defense in FY 1954 and FY 1955 above the cost of maintaining the present forces on a non-combat basis. They do not include any costs of materiel which would not be replaced or would be produced in any case to effectuate the policy of production to maintain a mobilization base after peacetime requirements and a substantial portion of net mobilization reserves have been accumulated. In addition to these amounts there would probably be expenditures for aircraft in FY 1956 and FY 1957 to replace aircraft which would be lost under the various courses of action. An estimate of this additional cost is not feasible at this time.

Order of Magnitude of Additional Cost

(in billions of dollars)

		F.Y. 1954	*F.Y. 1955*	
	Course A	$1.5–1.7	$2.1–2.3	
	Course B	$2.2–2.4	$3.8–4.0	
	Course C	$3.0–3.3	$4.0–4.4	
	Course D	$2.4–3	$3.2–3.5	
	Course E	$3.2	$4.2	
	Course F	$4.2	$5.1	

[Annex]

STAFF STUDY ON BASIC U.S. OBJECTIVE TOWARD COMMUNIST CHINA

1. The central problem facing the United States in the Far East is the threat to U.S. and Free World security resulting from the establishment of control over China by an aggressive and dynamic Communist regime closely aligned with and supported by the Soviet Union. A basic objective of U.S. policy in the Far East, therefore, must be to bring about changes in China which will eliminate the threat from that country to Free World security.

2. Achievement of this objective, however, would not satisfy U.S. long-range aspirations with respect to China. As an ultimate objective the U.S. must seek the development in China of an independent, stable, self-sustaining, non-Communist Government, which is friendly to the United States and acts in accordance with the purposes and principles of the U.N. Charter. Attainment of this objective is subordinate, however, to the solution of the immediate problem of the threat from Communist China.

3. It is highly improbable that a satisfactory solution of this problem can be obtained so long as the regime controlling China is closely aligned with the Soviet Union. Thus the most effective means of resolving the problem is through the disruption of this alignment and the detachment of China from the Soviet orbit.

4. There are two ways in which detachment of China from the Soviet orbit could occur: (a) by defection of the Peiping regime from Moscow, and (b) by the overthrow of the Peiping regime and its replacement by a Chinese Government hostile to Moscow. Present U.S. policy towards China has been in theory at least, to encourage both of these possibilities simultaneously. There is in this policy an inherent dilemma; obviously (a) and (b) cannot both occur at the same time. Thus it may be argued that the two courses are mutually exclusive and can not be pursued simultaneously. A choice must be made now, according to this argument, as to which course the U.S. will foster and the other must be abandoned.

5. The argument for selecting course (a) and abandoning course (b) may be summed up as follows: Tito [11] demonstrated the possibility of successful defection by foreign Communist leaders from the Kremlin: the Chinese Communist dictator [12] resembles Tito in that he acquired power largely on his own and his country has never been occupied by Soviet troops so that he retains the capability of

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[11] Marshal Josip Broz Tito, President of the Federal People's Republic of Yugoslavia.

[12] Mao Tse-tung, Chairman of the Central People's Government Council of the People's Republic of China.

independent action; conflicts of national interest between China and Russia will eventually lead to a break between Peiping and Moscow; on the other hand, to accept course (b) is tantamount to declaring war on Communist China; there is no likelihood within the foreseeable future of the Peiping regime's being overthrown without direct U.S. intervention and even then it is problematical as the Soviet Union would undoubtedly come to Peiping's aid; course (b) is inconsistent with U.S. declarations that it has no aggressive intent.

6. The argument for selecting course (b) now and abandoning course (a) may be summed up as follows: The Peiping leaders are died-in-the-wool Communists who have deliberately chosen the side of the Kremlin and there is no indication that they have any desire to change their orientation, while it is at least doubtful that they could change if they wanted to; to abandon course (b) would be to abandon the Chinese Nationalists and others fighting the Chinese Communists, which would result in seriously weakening the current Free World effort to stem Communist aggression; so long as Chinese Communist aggression persists the U.S. cannot afford to overlook any means of exerting pressure against them; on the other hand, to try to pursue course (a) while continuing to support the Chinese National Government, for example, makes (a)'s accomplishment impossible; retaining (a) as a course hampers and limits the effective implementation of course (b).

7. There are strong arguments, however, against a decision now to commit the U.S. exclusively to either course (a) or (b). There is good reason to believe that at this stage of developments these courses are not mutually exclusive. A policy of increasing pressure on Communist China short of outright U.S. intervention in China promotes both courses; it does not render the eventual detachment of China from the Soviet orbit impossible by way of either course. Thus the dilemma at this stage is only a potential dilemma, and while it may well have to be resolved one way or the other in the long run, it is neither possible to make a wise resolution of it now, nor necessary to do so.

8. It is only a potential dilemma for several reasons:

(1) The stage has not been reached yet, nor, according to the intelligence estimates of this Government, will that stage be reached in the near future wherein the Peiping regime is desirous of altering its pro-Soviet, anti-U.S. orientation, which it deliberately chose months before the outbreak of the Korean war, at a time when the National Government appeared to be on the verge of final extinction and the U.S. had adopted an attitude of wait-and-see with respect to China. In other words, the question of providing an "avenue of escape" from the Soviet relationship is academic when there is no evidence that the Peiping regime is looking for one, and

especially when its provision would severely handicap, if not nullify, the accomplishment of other important U.S. objectives.

(2) The U.S. objective of altering the *status quo* in China in a manner satisfactory to the U.S. is only partially dependent upon U.S. and Free World actions. Soviet dealings with the Chinese Communist regime may in the end prove more decisive in determining whether a change in the *status quo* occurs in China. Within the framework of Free World capabilities to affect the situation, short of direct attack on the mainland, it seems essential that U.S. actions be directed toward demonstrating to the Chinese that the pro-Soviet posture of the Peiping regime does not pay off but in fact causes them increasing hardships and sacrifices. Courses of action directed to this end are inconsistent with the provision of an avenue of escape; they are rather directed toward the achievement of a situation which will stimulate a desire for an avenue of escape. When such a situation is brought about, courses of action with respect to China may be reexamined.

(3) But such a situation may never be brought about; the Peiping regime may well stick to the Soviets regarding [*regardless*?] of how badly things go. In such a case nothing less than complete obliteration of the regime would satisfy U.S. objectives. Moreover, it is conceivable that a Chinese Communist regime detached from the Soviets would continue to pose a security threat to the U.S. Having broken with the Soviets it could pose as a purely Asian power and as such might attract far more Asian support than it does now. In short, the circumstances which will cause the Peiping regime to seek "escape" from its Soviet relationship do not exist now, nor can it be accurately forecast when or how they will come about, or what the implications will be for the solution of the China problem. For these reasons it is impractical to determine now on courses of action to meet this eventuality.

(4) The problem posed by U.S. support of the Chinese National Government whose objectives go beyond those of the U.S. with respect to China is also largely academic at this stage, and will remain so (a) until the *status quo* on the mainland is altered in such a way as to provide the Chinese Government with an opportunity of re-establishing itself on the mainland, or (b) changes take place in the Peiping regime of such magnitude that it is no longer a threat to U.S. security interests. These circumstances do not exist now nor will they within the foreseeable future; and when they do come into being they may occur in one of several possible forms, which should be handled in different ways. Meanwhile the U.S. shares with the Nationalists a common purpose of altering the *status quo* on the mainland through the exertion of pressure. The achievement of this purpose is advanced by political, military and economic support of the Nationalists and is not significantly hindered by failure to commit the U.S. to the Chinese Nationalists' ultimate objectives on the mainland.

9. Another factor which underlies the belief that the U.S. must immediately resolve the apparent dilemma in its policy towards China may be an over-emphasis on the importance of its policy with respect to the Chinese National Government as a solution of

the China problem as a whole. The advocates of an immediate resolution of the dilemma, whether they favor courses (a) or (b), assume that U.S. policy toward Formosa has a decisive bearing on the problem of Communist China. It is important to bear in mind, however, that our policies elsewhere in the Far East are also directed to this problem and may in the long run prove more decisive in its solution than our policies with respect to the Chinese Nationalists. For example, it is probable that the Peiping regime is considerably more concerned with the potential threat to its power of a resurgent Japan than with the possible danger to it of a fully armed Formosa. Thus our policy towards Japan may well be more important in determining Chinese Communist courses of action and even in influencing their estimates of U.S. intentions towards them than our policies toward Formosa. The disparity in military potential between the Chinese Communist regime and the Chinese Government is so great that it is safe to assume that as long as the former remains intact and maintains its hold on the mainland (and there is no evidence that it will not do so in the foreseeable future) it will never view the Chinese National Government of itself as a serious military threat. It constitutes a threat to Peiping (other than of a local nature) only in so far as it is an adjunct of U.S. power in the Far East. As U.S. power in the Far East also manifests itself in our policies towards the ROK, Japan, and Vietnam, there may be reason to doubt that the Peiping regime measures U.S. intentions or estimates U.S. courses of action toward it primarily by U.S. policy towards Formosa, or that what the U.S. does on Formosa is decisive in determining Chinese Communist attitudes or its courses of action with respect to the U.S.

10. Perhaps the most important reason for the futility of attempting now to resolve the potential dilemma of our China policy, however, is the strong possibility that before either (a) or (b) could occur the Peiping regime would abandon, at least temporarily, its aggressive tactics. Such a development would probably postpone even further the detachment of China from the Soviet orbit by means of either (a) or (b).

11. A shift in Communist tactics of this kind would logically begin with the acceptance of UN armistice terms in Korea, the conclusion of an armistice and exchange of prisoners. This might be followed by such moves as agreeing to a diplomatic exchange with the British and other western governments which have recognized Communist China but have not secured its recognition, renewed efforts to gain a seat in the UN, and serious attempts to revive trade with Free World countries, particularly those which could supply capital equipment. By such tactics the Peiping regime would hope to obtain a breathing spell in which it could concentrate on indus-

tralization and further buildup of its armed forces. In the meantime, it might hope to sow discord among the Western nations and increase its influence over neutral Asian nations at the expense of the U.S. Such a shift in tactics, however, would not cause the Peiping regime to abandon its Communist ideology, to give up its ruthless police state rule over China, nor to alter its close alignment with Moscow. It would not mean the abandonment of the regime's long-range objective in the Far East, i.e., the elimination of Western power and influence from the area and extension of its own.

12. A development of this nature would mitigate the current threat to security in the Far East by ending the shooting war in Korea. Thus it would be welcomed. It would not achieve our basic objective in the Far East, however, as Communist China would continue to pose a serious potential threat to Free World security in the area. Yet the means by which the U.S. could bring direct pressure to bear against the Peiping regime would be substantially curtailed following the cessation of open hostilities with the Chinese Communists. For this reason U.S. capabilities of promoting the detachment of China from the Soviet orbit would be reduced. In these circumstances, present courses of action with respect to China would have to be re-examined.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 139th Meeting of the National Security Council Held on Wednesday, April 8, 1953 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 139th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; and the Director for Mutual Security. Also present were the Secretary of the Treasury; the Attorney General (for Item 1); the Secretary of the Interior (for Item 1); the Director, Bureau of the Budget; the Acting Director of Defense Mobilization; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Special Assistant to the President for National Security Affairs; the Special Assistant to the President for Cold War Planning; the Military Liaison Officer; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Gleason drafted this memorandum on Apr. 16.

There follows a general account of the main positions taken and the chief points made at this meeting.

. . . .

3. United States Policies in the Far East (NSC 148; NIE–47)

. . . .

At the conclusion of the discussion on the point of the viability of the Japanese economy, the Secretary of State said that he wished to comment on the whole group of reports on Far Eastern policy. While it seemed to him that these papers were useful as a contribution to settling the budget problem facing the Administration, he did not feel able at this time to go along with the policy recommendations and implications in the reports.

Secretary Wilson agreed with Secretary Dulles, and said that he believed that the Council was moving too fast. He himself had not had time to digest all this material.

Mr. Cutler then explained the dilemma which confronted the Planning Board of the Council, indicating astonishment at the existence of reservations in the minds of the Council members as to the content of these papers, in view of the fact that they had been prepared by Planning Board members who had been designated by the Council members for the express purpose of stating their views. Under the circumstances, however, Mr. Cutler stated that he saw no alternative but to postpone consideration of the policy questions in the papers and confining discussion to the Financial Summary of the costs of implementing these policies.

Mr. Dodge, however, made it clear that he could find no evidence that the cost figures for the Far Eastern policies had been screened by any agency except the Planning Board. At any rate, he lacked confidence in the accuracy of the present estimates.

The President observed that the Council should remember that the Administration had promised the Congress a budget by the first of May. It was obviously essential to get into a study of our policy if there was to be any reasonable basis for the budget estimate. Of course, he went on, we had not had adequate time to make the kind of study that was required, and this was the penalty which faced any Administration which took over after so many years. Nevertheless, we should have to do the best we could.

Secretary Wilson expressed confidence that the National Security Council could agree readily enough on short-term solutions to policy problems like those set forth in the current series of reports, but it could not make decisions at this time on long-range solutions to world problems.

Secretary Dulles likewise maintained his position that it was reasonable to regard these policy statements as assumptions underlying budget figures, but not for anything more. These reports were, in fact, mere working hypotheses.

Mr. Stassen pointed out that these policies were not sacrosanct, and were always susceptible of change and reconsideration.

The President commented on the observations of Mr. Cutler and Mr. Stassen by complimenting the Planning Board on the work it had accomplished in getting this series of reports before the Council. Obviously, he added, the Council was not committed forever to following any policy report which it adopted, and the President pointed out that it was manifestly impossible for the NSC Planning Board to come up with suggestions for short-term solutions of policy problems without some grasp of the long-range direction of American policy. He agreed with Mr. Cutler's suggestion that the Council postpone further action on these papers until the end of April, by which time the members of the Council would have had greater opportunity to familiarize themselves with the content of the reports.

. . . .

Action on Item 3:

The National Security Council: [2]

a. Discussed the reference report on the subject (NSC 148) and deferred action pending further study.

b. Agreed that the Bureau of the Budget, in collaboration with the responsible departments and agencies, should analyze and screen the figure appearing in the "Far East Financial Summary", pp. 7–13.

Note: The action in b above subsequently transmitted to the Director, Bureau of the Budget, for implementation.

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S. EVERETT GLEASON

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[2] Lettered paragraphs a and b constitute NSC Action No. 758. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

PPS files, lot 64 D 563

Memorandum of Conversation, by the Director of the Policy Planning Staff (Nitze) [1]

TOP SECRET [WASHINGTON,] April 9, 1953.

Subject: Guidance given by the Secretary regarding Far Eastern NSC Papers

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[1] Participants listed below not previously identified are: U. Alexis Johnson, Deputy Assistant Secretary of State, and Bromley K. Smith, Senior Member of the National Security Council Special Staff.

Participants: The Secretary
Mr. Walter Robertson
Mr. U. Alexis Johnson
Mr. Douglas MacArthur II
Mr. Bromley K. Smith
Mr. Paul H. Nitze
Mr. H. Freeman Matthews

1. The Secretary thought it was by no means clear that we could get an armistice and settlement in Korea, of the type we desired, unless we continued a course which would make it to the interest of the other side to so do. He doubted that it had been to our interest to cease aggressive hostilities during the armistice negotiations. It was pointed out that the State Department had frequently raised this point in the past, but that our military had always taken the position that they were doing all that they would be doing if there were no negotiations. The Secretary said that he could see the difficulty in asking people to sacrifice their lives when an armistice might be just around the corner, but from an over-all standpoint it may be of great importance to ask them to do so. He thought that one of the alternatives we should be considering was that of carrying on as though no new armistice proposal had been made.

2. The Secretary thought that it was important to secure a military victory in Korea, even though that victory was not of such an extent as to liberate all of Korea. Mr. Johnson said that this would suggest Course I C in NSC 147. Mr. Nitze said that he thought it would be unwise to proceed concurrently with Course I C if one were also going to adopt the cutbacks in military programs implied by NSC 149.[2]

The Secretary suggested there might be some difference of opinion in the NSC as to whether it would not be advisable to have the budget out of balance for a year or two if this were necessary as part of a program which would achieve such a success as to permit thereafter a sounder balancing of the budget.

3. The Secretary said he thought we should go ahead with expanded programs for Formosa and Indochina. It might be cheaper to combine operations in Korea and from Formosa rather than to attempt to do the job in Korea alone. The Secretary said he knew there were those who thought that a threat to Hainan, or the Chinese coastline, would not necessarily detract from Chinese capabilities in Korea. He questioned whether this was so with regard to ammunition, equipment, planes, etc. He said he found it difficult to

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[2] A report entitled "Basic National Security Policies in Relation to Their Costs", Apr. 3, 1953. For documentation concerning the NSC 149 Series, see volume II.

believe that protecting 2,000 miles of coastline would have no impact on Chinese capabilities in Korea.

We have always been worried about our difficulties in protecting all points along a 20,000 mile perimeter around the central communist position. In China, we have an opportunity to do against 2,000 miles of coastline what they do to us on a 20,000 mile perimeter. This was an ideal opportunity for exploiting sea and air power. If we are able, ready and willing to exploit this situation that may cave in their negotiating position. He was sure this would place a strain both on China and on Russia. This would give us the best chance of securing our objectives either with fighting or without fighting.

4. The Secretary said he understood the military believed Letourneau's plans for Indochina were about as good as possible. We ought to back those plans.

5. Mr. Johnson and Mr. Nitze returned to the point that a program of the type that the Secretary had outlined would require increased production, would cost more money, and might involve an expansion of our forces in being. The Secretary said he realized that unless one took everything away from NATO it would have an impact upon production and upon the budget. He questioned, however, whether it would be necessary to expand our forces in being—couldn't the two divisions in Japan be sent to Korea. This might leave Japan pretty naked, but we may have to take certain calculated risks.

Mr. Johnson and Mr. Nitze referred to the concern that the military felt in leaving Japan completely unguarded against the contingency of an airborne attack. The two United States divisions, plus the Japanese police reserve, add materially to security against this threat. If Japan were to be lost, the position of our forces in Korea would be gravely jeopardized.

The Secretary said Allen Dulles' briefing at the NSC meeting had indicated that the CIA did not believe the Russians would start a general war to avoid a local defeat in Korea.

6. The Secretary said he thought it would be possible to get money for a program of accomplishment. One can't get money for a program of going bust and standing still at the same time. Humphrey said we can't have a deficit of from $5-10 billion a year forever. Such a policy indefinitely pursued did not give one victory abroad and would end up with weakness at home.

7. The Secretary said that he thought the NSC papers missed the core of the thing. He regretted that there was no opportunity at the NSC meetings of having the type of discussion which we had just had. He thought it should be possible to get up a short paper—

maybe 3-5 pages in length—which would bring forth the essentials of the problem facing us in the Far East.

790.5/5-1153

Report of the Conference of Representatives From the Principal Military Authorities Representing Australia, France, New Zealand, the United Kingdom, and the United States in the Southeast Asia Area, Held at Pearl Harbor, April 6-10, 1953 [1]

SECRET PEARL HARBOR, T. H., [undated].

I. Pursuant to agreement reached by the principal military authorities concerned in the Southeast Asia area, staff representatives met at Pearl Harbor, T. H., 6-10 April 1953, for discussions on agenda items listed herewith:

A. Adequacy of present arrangements for exchange of current intelligence.
B. Adequacy of established and planned communication systems and procedures.
C. (Deleted prior to conference.)
D. Machinery for further coordination of national plans which may be approved in the future.
E. Recommendations to be forwarded to respective Chiefs of Staff or their equivalent.
F. Planning study to determine possible courses of action or capabilities to counter further Chinese Communist aggression in Southeast Asia.
G. Study of the most appropriate means to carry out the continuity of the contacts and the permanence of the studies.

II. For the purpose of these discussions, the area of Southeast Asia was defined as: Burma, Thailand, Malaya, the Crown Colonies of Singapore (including Christmas and Cocos Islands), British North Borneo and Sarawak, the Sultanate of Brunei, Indochina (now the Independent States of Viet Nam, Laos, and Cambodia), the Philippines, Portuguese Timor, the Republic of Indonesia, Dutch New Guinea, Hong Kong, Macao and Formosa.

III. In consideration of these discussions, the following recommendations are made:

A. In order that effective coordination of appropriate portions of approved national plans be achieved to increase the effectiveness of the overall strategic defense of Southeast Asia, it is recommended that:

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[1] The source text is attached to a covering letter of May 11 signed on behalf of Frank Nash, Assistant Secretary of Defense (International Security Affairs) by his Deputy Assistant Secretary, Najib E. Halaby.

1. Each of the Five Powers concerned should designate a commander within the area of Southeast Asia (or national Chief of Staff as appropriate) as its Military Representative for the area. These five Military Representatives should be responsible for the mutual coordination of plans, to include the full exchange of pertinent current intelligence, agreed communication procedures and the exchange of other planning information essential to most effective cooperation.

2. The respective Military Representatives should designate one or more staff representatives based at the headquarters of the Military Representative concerned as the permanent points of contact for the exchange of preliminary information and arrangements for meetings as required.

3. The machinery for coordination should permit participation between those of the Five Powers currently involved. These arrangements should permit the designated representative of any participating country to communicate with any one or more of the representatives of other countries, in making arrangements for the exchange of information and for meetings at such times and places as those concerned in the specific matters to be discussed mutually agree upon. Under this concept it would not be necessary or desirable to invoke a meeting of all representatives each time a representative has matters to be considered. In each case, only those directly concerned need meet. In any case the Military Representative of each of the Five Powers would be advised as to the purpose of the meeting and would be free to attend, or be represented, if desired. The chairman of the conference would subsequently advise the non-participating representatives as to the matters discussed and conclusions reached.

4. The machinery should not provide for the establishment of a formal body or committee, and in consequence there should be no requirement for a permanent chairman nor for regular meetings. However, the Military Representatives designated under paragraph III.A.1. above will be free to meet at any time upon their own initiative or to arrange for a meeting of their representatives.

5. Recommendations or conclusions should be forwarded as appropriate by the Military Representatives to their respective Chiefs of Staff or equivalent, for approval.

6. The rules of procedure contained in enclosure (1) should govern for meetings of the Military Representatives and their staff representatives.

B. It is recommended to the respective national chiefs of staff or their equivalent that:

1. The Five Power Military Representatives undertake planning studies to determine possible courses of action to counter further Chinese Communist aggression in Southeast Asia, utilizing the machinery recommended under paragraph III.A. above.

2. The subjects listed below be approved as a basis for planning studies, in priority groups as shown, to determine courses

of action for further recommendation to the respective national chiefs of staff or their equivalent.

Priority A

Provide naval and air support to friendly forces in Indochina.

Provide naval and air support to friendly forces in Hong Kong.

Provide ground forces along with appropriate naval and air support to reinforce friendly forces in Indochina.

Maintain the security of Hong Kong by the introduction of appropriate reinforcements.

Conduct air attacks against selected targets on the Chinese mainland.

Conduct a blockade of the China coast.

Conduct psychological warfare.

Conduct guerrilla warfare.

Priority B

Utilization of Chinese Nationalists forces.

Seize a beachhead on the Chinese mainland.

Seize and hold a beachhead on Hainan Island.

Priority C

Provide naval and air support to friendly forces in Malaya.

Provide ground forces along with appropriate naval and air support to reinforce friendly forces in Malaya.

Provide naval and air support to friendly forces in Thailand.

Provide naval and air support to friendly forces in Burma.

Provide ground forces along with appropriate naval and air support to reinforce friendly forces in Thailand.

Provide ground forces along with appropriate naval and air support to reinforce friendly forces in Burma.

C. The present arrangements for the exchange of current intelligence should be continued and are adequate provided the following four requirements are approved and implemented:

1. Authority to exchange, and enter into, agreed intelligence estimates on Communist China and the threatened areas of Southeast Asia which are prerequisite toward the evolving of adequate planning studies by the Five Power Military Representatives.
2. Improve the information on all countries not now fully covered, particularly Communist China.
3. Increase the exchange of intelligence in the intervals between the conferences.
4. Evaluate more closely intelligence reports from the field, using standard, agreed evaluation symbols.

D. 1. The present communication systems can meet the anticipated requirements of the Five Power machinery in addition to current commitments. Planned systems appear adequate for operational requirements with the possible exception of the Singapore–Saigon circuit; however, these systems should be the subject of continuing review.

2. Existing broadcast facilities are adequate. Adequacy of mobilization broadcasts is dependent upon final procedures established to implement full naval control of shipping.

3. NATO procedures and publications, which are now effective and/or planned in NATO, are adequate.

4. It is recommended that:

a. The UK and France review the adequacy of the Singapore–Saigon circuit.

b. Broadcast areas and requirements be included in studies to establish naval control of shipping procedures.

c. NATO procedures and publications be made effective and available for all the Five Power Nations.[2]

V. E. HANCOCK
[Air Vice Marshal]
Senior Representative, Australia

R. LENNUYEUX
[Colonel]
Senior Representative, France

H. E. GILBERT
[Colonel]
Senior Representative, New Zealand

E. K. G. SIXSMITH
[Major General]
Senior Representative, United Kingdom

T. J. HEDDING
[Rear Admiral]
Senior Representative, United States

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[2] Ten annexes to this report are not printed. They include summaries of planning studies on many of the topics listed in the priorities section of paragraph III.B.2 above, and a general estimate of the forces each of the five powers might have available in the event of hostilities in Southeast Asia.

890.00/4–2053

Memorandum by the Officer in Charge of Economic Affairs, Office of Northeast Asian Affairs (Hemmendinger) to the Deputy Director of That Office (McClurkin)

CONFIDENTIAL [WASHINGTON,] April 20, 1953.

Subject: The Colombo Plan and Its Possible Use as a Focal Point for Regional Development in Asia.

The Colombo Plan grew out of a series of meetings in 1950 beginning with a Commonwealth Ministers' meeting in Colombo in January of that year. At Sydney, Australia in May a Commonwealth Consultative Committee was formed and the decision taken to attempt to expand membership to areas outside the Commonwealth. In addition, plans were drawn for a technical assistance program for the area. In September, 1950 at London the Committee issued a report entitled "The Colombo Plan for Cooperative Economic Development in South and Southeast Asia" containing the six-year development plans of each of the individual Asian member countries. It is from this report that the organization took its familiar title. The formal name of the organization was subsequently changed to the "Consultative Committee on Economic Development in South and Southeast Asia" after its membership had been broadened.

Membership

The original membership of the Consultative Committee consisted of the U.K., Canada, Australia and New Zealand, together with India, Pakistan, Ceylon, Malaya, and Borneo. The Associated States of Indochina, Burma, and Nepal have since become members and the Indonesian Cabinet recently announced its intention to join at the next annual meeting. The Philippines and Thailand, while not members, have sent observers to past meetings of the organization, as have ECAFE and the IBRD. The U.S. became a member of the Consultative Committee in 1951.

U.S. Attitude Toward Colombo

Initially the U.S. was rather reserved in its attitude toward membership in the Colombo Plan for fear it would appear that an exclusive U.S.-Commonwealth club was being formed in Southeast Asia. We took the position that U.S. membership would be contingent on broadening the participation of countries within the area. that the organization should continue to be entirely consultative, that it should function without a central secretariat or formal organization, and that membership would not imply endorsement of the plans drawn up by the countries within the area. It was also made clear that the U.S. would not undertake to underwrite whatever deficit might be determined to exist after all local resources and contributions of other donor countries had been taken into account. On the other hand, the U.S. recognized the need to increase the consciousness of the countries in Southeast Asia of the need for careful programming of their development and that the organization could perform a useful function in educating both member countries and the world in general regarding the nature and scope of the development problem.

One of the principal points made by the U.S. in consenting to membership in the Colombo Plan was that any aid to be rendered should be entirely on a bilateral basis. The U.S. stipulated that the organization should not attempt to indicate the priority of need for development assistance as between aid recipient countries nor the amount of assistance any given country should receive. This was done primarily in order that the U.S. might maintain "control" of the assistance rendered and retain freedom of action in determining the necessity for given projects. We feared being drawn into a position of underwriting local currency costs (which is a bottomless pit) rather than rendering assistance in a manner designed to give an incentive for the underdeveloped countries to maximize their own contribution to financing economic development.

Functions

There is a popular misconception that the Colombo Plan is a central plan which is regional in scope and that the organization is designed to administer aid for economic development. Development programs are entirely those of the individual participating countries. They are not screened by the Consultative Committee and no effort is made to develop a multilateral approach to the programming of economic development. This is consistent with U.S. views concerning the function of such an organization and particularly with the stipulation that U.S. aid, as with all "donor countries", should be rendered bilaterally. The Consultative Committee has four principal functions:

1. to provide a rallying point for eliciting bilateral aid;
2. to provide a vehicle for publication of an annual report describing in some detail the development programs, progress in carrying them out, and estimates of external funds required for future development financing;
3. to provide an inducement to the Asian countries to systematize their approach to economic development in order to elicit outside aid; and
4. to provide a forum for informal discussion on economic development problems.

The Colombo Plan as a Regional Coordinator

It is clear from the above that to date the Colombo Plan has not provided the basis for a regional approach to economic development problems. There has undoubtedly been accomplished, in the process of developing individual country plans and in drafting the reports, as well as in discussion, a consciousness that the problems faced by all the underdeveloped countries of the Far East are substantially the same. They have come to appreciate the importance of careful programming and of the limitations on their own ability to modernize their economies rapidly.

Some of the considerations which caused the U.S. to take a cautious attitude toward the Colombo Plan initially have since been considerably alleviated. Merrill Gay is now of the opinion that we can and should take a less neutral position in the Colombo Plan organization, that its Commonwealth character has largely disappeared because of the inclusion of the non-Commonwealth countries and more active participation by the Asian members.

Japanese membership in the Consultative Committee is now a distinct possibility. At the ECAFE meeting in Bandung [1] the Japanese delegate [2] approached the Indian delegate concerning Japanese membership in the Colombo Plan. The Indian delegate, who is the Indian Minister of Industry and Commerce,[3] indicated that he was personally favorably disposed toward Japanese membership. India, as the host country at the next annual meeting of the Consultative Committee, is in a position to extend an invitation for the Japanese to be present and it is probable that discussions are now going on between the Indians and Japanese as well as Asian Colombo Plan member countries concerning Japanese participation.

If we should decide to seek to establish a Far Eastern regional operating agency in the economic field, we should seriously consider recommending to member governments the strengthening of the Colombo Plan organization for that purpose. It is not entirely clear, however, whether ECAFE or Colombo is the more desirable base on which to build. Merrill Gay is not convinced that the presence of the USSR as a member of ECAFE should necessarily rule out its being used. It appears to me, however, that it would be difficult to obtain agreement within ECAFE regarding the geographical limits not only of development planning but also of the trade patterns which would be assumed to exist, and specifically whether Communist China should be included or excluded.

One of the most difficult problems with respect to channeling aid through or attempting to develop aid programs within a regional organization would be that of control of the U.S. funds to be used. The U.S. has appropriated funds ($20 million) for the United Nations Technical Assistance Administration over which the U.S. does not exercise direct control. It is doubtful that the U.S. Congress would be willing to appropriate the considerably larger sums involved in the aid programs on the scale currently being carried out in the Colombo Plan countries unless we had full and direct control of their distribution and end use.

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[1] The Ninth Session, Jan. 26–Feb. 2, 1953.

[2] The Associate Member of the Commission for Japan at the Session was I. Ohta.

[3] D. P. Karmarshar was the Indian Member of the Commission at the Ninth Session. However, T.T. Krishnamachari was Minister of Industry and Commerce at the time.

Consideration might be given to using a Far Eastern organization in the manner in which the OEEC operates where the aid requirements are drawn up and screened by OEEC before presentation to the U.S. There is, of course, a rather significant difference between the experience of the Europeans and that of the underdeveloped countries of the Far East in programming economic development and understanding the limitations on their capacity to utilize new techniques and equipment. The classic example is the request by Pakistan for a large number of diesel locomotives far beyond their capacity to service and far too heavy for the quality of the existing roadbeds of the country's railways.

The basic reason for seeking a different means of administering U.S. aid is to find a vehicle through which, in view of the sensitivities of the countries of Southeast Asia particularly, aid will be politically more acceptable and less fraught with the danger of appearing to seek the domination of the recipient countries. It is also desirable to increase consciousness of the total regional requirements of the countries of the Far East, a willingness to undertake projects which are within their means but beyond the immediate needs of the individual countries.

I think that the Colombo Plan, all things considered, offers the best means available of attaining these objectives and that we should therefore undertake to explore the situation fully. It would first be necessary to approach the officers directly concerned with the aid recipient countries and then talk with the agency (agencies) administering our programs in those countries to determine the most appropriate technique for expanding regional consciousness and increasing the acceptability of foreign aid, including U.S. aid.

S/S–NSC files, lot 63 D 351

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Under Secretary of State (Smith)

TOP SECRET [WASHINGTON,] May 5, 1953.

Subject: NSC 148 [1]

NSC 148 on United States Policies in the Far East is an attempt to draw together the various area papers on the Far East, i.e., NSC

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[1] Dated Apr. 6, p. 285.

118/2 on Korea,[2] NSC 124/2 on Southeast Asia,[3] NSC 146 on Formosa and NSC 125/5 on Japan.[4]

NSC 148 was drafted prior to recent developments concerning the armistice negotiations in Korea and, while much of it will in any event remain valid, the paper should be re-examined in the light of the situation that will exist when the present negotiations have either been successful or definitely fail.

Paragraphs 6(a) and 6(b) are particularly important in connection with our policies in Japan and Korea because regional arrangements provide a context by which it will be possible to accelerate the buildup of defense forces in those two countries, particularly in Japan. Paragraph 6(b) is vital for the development of Japanese economic liability [*viability*?] .

So far as Southeast Asia is concerned, NSC 148 was drafted prior to recent Viet Minh invasion of Laos and the consequent increased danger to the free world position in all of Southeast Asia. While its recommendation that increased use be made of indigenous forces in the Far East is still valid as a basic general objective, study should be given as to whether the present and proposed plans of the French in Indo-China are adequate to accomplish their purposes.

It should be noted that the figures for economic and military aid for FY 1954 contained in the tables appended to NSC 148 fail to take into account the French strategic plan presented by Mr. Letourneau last month.[5]

The paper points out the ultimate objective of the United States to seek the development in China of an independent, stable, self-sustaining non-Communist government friendly to the United States. However, it points out that attainment of this objective is subordinate to the solution of the immediate problem of the threat to the United States and free world security resulting from the establishment of control over China by an aggressive Communist regime closely aligned with and supported by the Soviet Union. It states that United States policy has been in theory to encourage the defection of the Peiping regime from Moscow and the overthrow of the Peiping regime and its replacement by a Chinese government hostile to Moscow. There is in this policy an ultimate dilemma since both could not, of course, occur at the same time. However, a policy of increasing pressure on Communist China short of outside United States intervention in China promotes both courses. Thus the dilemma at this stage is only a potential one. While it may have to be resolved in the long run, it is neither possible nor necessary to do so now.

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[2] "United States Objectives and Courses of Action in Korea". This paper, dated Dec. 20, 1951, was approved by the President that same day. For text, see *Foreign Relations*, 1951, vol. VII, Part 1, p. 1382.

[3] Dated June 25, 1952, p. 125.

[4] "United States Objectives and Courses of Action With Respect to Japan", Apr. 28, 1953. For documentation concerning the NSC 125 Series, see volume XIV.

[5] For documentation on this phase of the U.S.-French political talks of March 1953, see vol. XIII, Part 1, pp. 432 ff.

Recommendation

It is recommended that NSC 148 be referred back to the Planning Board for continuing study in the light of developments within the next few months particularly in Korea and Southeast Asia.[6]

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[6] No indication of consideration of the NSC 148 Series subsequent to this memorandum has been found in Department of State files.

751J.00/5–753: Telegram

The Consul General at Singapore (Baldwin) to the Department of State [1]

SECRET SINGAPORE, May 7, 1953—7 p. m.

1111. Mytel 1104, May 6.[2] Seen from here, Laos invasion [3] obviously upsets security and stability of rest of SEA and will presumably if successful, lead to series increasingly climatic tests in even wider area. If invasion part of larger Communist plan, as seems likely, it is first post-Korean challenge of determination and ability of free world to oppose Communist aggression in SEA. While generally recognition of this may be momentarily obscured in SE Asian minds by anti-colonialism, Asian leaders here and probably elsewhere in SEA will understand its significance. Firm and effective military resistance to Viet Minh in Laos by French with US and other Western assistance will, by demonstrating the willingness and ability anti-Communist forces led by West to check Communist incursions, bolster will of Asians to resist. Conversely, if Viet Minh consolidate position in Laos thus strengthening base for further aggression, fellow-travelers and Communist parties will take heart and convert waverers while indigenous opposition fades.

Tendency in SEA to attribute some "pure nationalism" to Viet Minh aims will make more difficult characterization of invasion as "naked aggression." Failure to argue convincingly, in intensive, well-coordinated psychological offensive that invaders are not rebel Nationalists asserting right to self-determination but instruments of Communist aggression would strengthen Communist hand wherever anti-colonial sentiment strong in SEA. Such psychological offensive would be particularly necessary if extent or nature of military assistance to oppose invasion aroused fears or suspicions of timorous or ultra-nationalistic Asians.

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[1] Repeated for information to London, Paris, Bangkok, Saigon, Kuala Lumpur, and Penang.

[2] Not printed.

[3] For documentation on the invasion of Laos by Viet Minh forces in the spring of 1953, see vol. XIII, Part 1, pp. 468 ff.

Urgent need to restore waning British confidence in France suggests desirability of closest tripartite high level coordination with view to reaching agreement on immediate steps, including political moves, to meet present threat.

Deterioration of Thai situation would, of course, have most damaging effect here and immensely complicate problem of saving Malaya from Communism.

BALDWIN

790.5/5-1353

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Deputy Under Secretary of State (Matthews)

TOP SECRET [WASHINGTON,] May 13, 1953.

Subject: Five Power Military Meeting at Honolulu

The Problem

Attached for approval and signature is a proposed reply to a letter of May 11 from the Assistant Secretary of Defense to the Under Secretary of State [1] regarding the recommendations of the Conference of Military Representatives which was held in Honolulu from April 6-10, 1953 [2] (the US, UK, France, Australia and New Zealand were represented). Specifically, State has been asked to approve a proposed draft message [3] to CINCPAC on future procedure.

Discussion

The documents attached to Defense's letter are very concise. The proposed draft message to CINCPAC contains the essential elements of what is proposed. A summary is as follows:

a) Designation by the five powers of military representatives responsible for mutual coordination of plans, to include the full exchange of pertinent current intelligence, agreed communication procedures and the exchange of other planning information essential to more effective cooperation.

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[1] Reference is to a letter signed on behalf of Nash by Halaby. (790.5/5-1153)

[2] For a report of this Conference, see p. 303.

[3] This draft is attached to Halaby's letter.

b) Planning studies are to be undertaken by the Five Power Military Representatives to determine possible courses of action to counter further Chinese aggression in Southeast Asia.

c) The Military Representatives will communicate on an on-call need-to-know basis; no formal body or committee will be established.

d) It is specifically provided in the instruction to CINCPAC that "in order to maintain an appropriate degree of freedom of action, foreigners will not participate directly in the development of US plans, and your participation in planning studies to determine possible courses of action will not extend to the development of a combined plan."

It is interesting to note that the Honolulu report establishes a number of priorities for the proposed planning studies (see page 3 of the report).[4] The Joint Chiefs of Staff approved all of the recommendations of the Honolulu Conference except one to the effect that NATO procedures and publications should be made effective and available in the area. The Joint Chiefs reserved their position on this point.

So far as the attitude of the other governments are concerned, the British Chiefs of Staff have approved the report adding the suggestion that planning priorities should be made flexible to meet developing situations (thus the threat to Thailand is now greater than it was and plans to meet it should be given a higher priority than heretofore). The British have named General Keightley [5] as their military representative. The Embassy of New Zealand has informed the Department that the New Zealand Government has approved. We do not yet know the point of view of France and Australia.

Recommendation

It is recommended that you sign the attached letter to the Assistant Secretary of Defense giving the Department of State's approval to the proposed draft message to CINCPAC on future procedure.[6]

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[4] Reference is to paragraph III.B.2.

[5] Gen. Sir Charles Keightley, Commander in Chief of British ground forces in the Far East.

[6] Matthews signed this letter, which is not printed. It was sent to Nash on May 15. (790.5/5–1153) The instruction was sent by the Joint Chiefs to CINCPAC in telegram JCS 939436, May 21. (JCS records, CCS 092 Asia (6–25–48))

790.5/5-2853

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

TOP SECRET

WASHINGTON, 15 May 1953.

Subject: Report by Staff Planners to Military Representatives to the ANZUS Council, Report No. 1, dated 25 November 1952.[2]

1. Pursuant to paragraph "C" of the Agreed Record of Proceedings of the First Meeting of the Military Representatives of the Australian-New Zealand-United States (ANZUS) Council, [3] a copy of which was forwarded to you by our memorandum dated 15 December 1952,[4] subject: "Report of the Initial Meeting of the Military Representatives to the ANZUS Council, 22 September 1952," the Staff Planners to the Military Representatives have completed their study to determine the possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in the area. The Commander in Chief, Pacific (CINCPAC), as U.S. Military Representative to the Council, has forwarded the report of the Staff Planners, stating that the other Military Representatives are in general agreement with the report and are forwarding it to their respective Chiefs of Staff for consideration. A copy of the report is enclosed for your information.

2. The Joint Chiefs of Staff consider that the attached report encompasses courses of action which fall primarily within the purview of the conferences on Southeast Asia being held by the military representatives of the regional commanders of Australia, France, New Zealand, the United Kingdom and the United States (Five Powers). Although the Joint Chiefs of Staff have not specifically approved the courses of action listed in the report, CINCPAC has been authorized to seek the concurrence of the other Military Representatives to the ANZUS Council to use appropriate parts of the report in connection with the development of national plans for the defense of Southeast Asia through the Five-Power relationship. He has also been directed to coordinate within the ANZUS relationship those matters specifically aimed at mutual assistance and self-help as it applies to the defense of Australia, New Zealand, and their territories.

3. ANZUS Council procedure calls for the Military Representatives to report to the Council when the U.S. Joint Chiefs of Staff

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[1] This memorandum, attached to a covering letter of May 28 to the Secretary of State from Nash, was signed on the latter's behalf by Halaby. (790.5/5-2853)

[2] *Ante*, p. 242.

[3] Printed under date of Sept. 25, 1952, p. 222.

[4] Not printed, but see footnote 1, *ibid.*

and the Chiefs of Staff, or the equivalent, of the other ANZUS countries have acted on the recommendations of the Military Representatives. The instructions to CINCPAC outlined in paragraph 2 above constitute action by the Joint Chiefs of Staff on this matter.

For the Joint Chiefs of Staff:
OMAR N. BRADLEY
Chairman
Joint Chiefs of Staff

790.5/5–2953

Memorandum by the Deputy Director of the Office of British Commonwealth and Northern European Affairs (Foster) to the Deputy Under Secretary of State (Matthews)

TOP SECRET [WASHINGTON,] May 29, 1953.

Subject: Answers to Ambassador Spender's Questions Concerning Five-Power, ANZUS, and ANZAM Military Representatives Groups.

I have checked with Charles Sullivan in Frank Nash's office and I suggest that you might wish to give Sir Percy Spender the following answers to the questions he raised with you during his call on May 26: [1]

1. *Question: Where do we go from here in connection with the Five-Power Staff Liaison Agency?* Answer: The United States recently approved the recommendations agreed to at the Five-Power Military meeting at Pearl Harbor on April 6–10 and has so informed Admiral Radford, U.S. member of the Group. Assuming that the other four governments also approve the Group's recommendations—and we understand the U.K., New Zealand and France have done so—we assume that the five Commanders will go forward as they recommended. It is impossible at present to predict what form or status the Five-Power Group might eventually assume, what possible new terms of reference it might be given by the five governments, or what relationships, if any, it might establish with other organizations. For the moment, the agreement is, as Ambassador Spender knows, that the Group is not to have a formal or elaborate organization but rests on an *ad hoc*, on-call, need-to-know basis. In due course we would expect to hear Admiral Radford's views on this. Meanwhile we consider that the Five-Power Group is performing a very useful service.

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[1] Matthews' memorandum of his conversation with Ambassador Spender on May 26 is not printed. (790.5/5–2653)

2. *Question: Is there any chance that the Five-Power Group might supplant the ANZUS Military Representatives group?* Answer: We certainly do not think so. The ANZUS relationship rests on a Treaty, and the Treaty established the ANZUS Council. The Council obviously requires military advisers. In terms of the substance of the Treaty and of the proper functioning of the Council there has to be an ANZUS Military Representatives group. We have been very pleased by the progress made by the ANZUS Military Representatives group in which Admiral Radford has been our Representative, and we understand the Australians and New Zealanders have also been pleased. Those of us interested in ANZUS are gratified by Admiral Radford's appointment to the Chairmanship of the Joint Chiefs of Staff,[2] where he will bring with him first-hand knowledge of the ANZUS relationship.

3. *Question: Would it be possible to establish a relationship between ANZUS and ANZAM?* (Ambassador Spender asked this question with particular reference to the forthcoming Commonwealth Conference in London at which Churchill, Menzies, and Holland are expected to discuss among themselves the United Kingdom position vis-à-vis ANZUS. You will recall that ANZAM is the U.K.-Australian-New Zealand military group, with headquarters in Melbourne, which engages in planning for the defense of the Australasian area.) Answer: The ANZUS and ANZAM military groups have certain common objectives, especially plans for the defense of Southeast Asia. Moreover, certain individual Australian and New Zealand military officers represent their countries in each group. Again, as a matter of policy determined by the ANZUS Council at the government level, the ANZUS partners keep the United Kingdom fully and currently informed of the plans and proceedings of the ANZUS Council. Thus there exists a sound basis for *de facto* cooperation. The question whether some sort of formal relationship should be established between ANZUS and ANZAM cannot be answered at present. We should be interested to learn of any ideas that may come out of the conversations in London, and on our side we shall eventually want to get the views of Admiral Radford. Depending on these factors, the matter is one which the Council might wish to discuss at its next meeting.

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[2] President Eisenhower had nominated Admiral Radford for the post on May 12. He entered on duty Aug. 15.

790.5/6–1253: Telegram

The Chargé in the United Kingdom (Holmes) to the Department of State [1]

TOP SECRET LONDON, June 12, 1953—5 p. m.

6537. During general conversation on recent Commonwealth meetings [2] Frank Corner Counselor New Zealand House stated subject of ANZUS raised in special meeting of UK, NZ, and Australia. At opening of meeting, Churchill vague and uncertain of topic under consideration. Later, consulting notes of previous meeting with Holland and Menzies, he worked himself up into considerable dither over noninclusion of UK. Corner would not comment on outcome and reticent re reactions of NZ and Australian Prime Ministers, but guessed Churchill would raise question with Eisenhower before fall meeting of council.

Corner commented that while he agreed there were "details" on which UK had reason to expect information, Churchill's position almost solely motivated by concern over political prestige. Specifically, Prime Minister dislikes idea of NZ and Australia moving closer to US unchaperoned by mother country.

HOLMES

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[1] Repeated for information to Canberra and Wellington.

[2] A meeting of the Commonwealth Prime Ministers took place in London June 3–9.

790.5/6–1653: Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State [1]

TOP SECRET LONDON, June 16, 1953—noon.

6585. According Foreign Office, United Kingdom, Australia and New Zealand Prime Ministers had desultory and inconclusive private conversation on ANZUS week ago. Churchill explained he had Far East problems very much in mind recently and he felt strongly United Kingdom should participate in command (and to lesser extent political) structure ANZUS. Menzies and Holland countered by saying present ANZUS set-up of great importance to them, pointing out they would hesitate sacrifice present substance for shadow of some other arrangement as yet undefined. If some new arrangement guaranteed them something equally good, they would not object but they failed see what form it could take. Discussion tailed off in vague reference to what Senator Taft [2] might have had in mind in suggesting Far East alliance. Churchill wound up by saying he would reflect further on problem and if any good might come of it he would raise it in Bermuda.[3]

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[1] Repeated for information to Canberra and Wellington.

In reply to Embassy prompting, Foreign Office agreed prestige was an issue, so far as Churchill concerned, but added what seemed mainly to concern him was lack of coordination defense planning in Far East, with each power operating in isolation from the other. What he seems to envisage is expansion of ANZUS into Pacific counterpart of NATO.

ALDRICH

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[2] Senator Taft, then ailing, had appointed William F. Knowland of California to be Acting Majority Leader of the Senate on June 10. Reference here is to Senator Taft's statement of June 5, a portion of which follows:

"If we are able to disentangle ourselves from the United Nations, we already have treaties with Australia and New Zealand, with Japan and the Philippines and a very definite understanding with the French in Indo-China.

"I think we should have a free hand to form an alliance with the British if we can possibly do so as to how Far Eastern affairs should be conducted. An alliance has this advantage over the United Nations, that each member can express his views and no other member can veto his action, as the United Nations or Secretary Acheson vetoed the hot pursuit by our airplanes in Manchuria.

"I believe we should try to work with Britain in a military alliance in the East, but not one in which they possess any final veto against our policies." (*New York Times*, June 6, 1953)

This statement had been issued in response to discussion arising from his remarks on foreign policy contained in an address of May 26. Text *ibid.*, May 27.

[3] At the time of this telegram, the Bermuda Conference was scheduled to begin on June 29. After repeated postponements, the Conference met Dec. 4-7, 1953. For documentation, see vol. v, Part 2, pp. 1710 ff.

790.5/1-2954

Report by the Staff Planners to the Military Representatives of the Five Powers on the Conference Held June 15 to July 1, 1953 [1]

TOP SECRET PEARL HARBOR, T.H., [undated].

I. Purpose of the Conference

To consider the following courses of action as possible measures to counter further Chinese Communist aggression in Southeast Asia:

1. Provide naval and air support to friendly forces in Indochina.
2. Provide naval and air support to friendly forces in Hong Kong.

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[1] This report is an enclosure to a letter of Jan. 29, 1954, from Vice Adm. A. C. Davis, Director of the Office of Foreign Military Affairs, Department of Defense, to the Secretary of State. For another enclosure to this letter, a memorandum from the Joint Chiefs of Staff to the Secretary of Defense dated Dec. 4, 1953, see p. 355.

3. Maintain the security of Hong Kong by the introduction of appropriate reinforcements.

4. Conduct air attacks against selected targets on the Chinese mainland.

5. Conduct a blockade of the China coast.

6. Conduct psychological warfare.

7. Conduct guerrilla warfare.

8. Provide naval and air support to friendly forces in Thailand.

9. Provide ground forces along with appropriate naval and air support to reinforce friendly forces in Thailand.

II. Terms of Reference

1. This conference was conducted within the framework of, and in accordance with the recommendations contained in Five-Power Conference report of 6–10 April 1953.[2]

2. Assumptions. The following assumptions are applicable to all of the courses of action considered:

a. Conditions short of general hostilities will exist.
b. The USSR will not overtly intervene.
c. Weapons of mass destruction will not be used by either side.

3. National Forces Availability:

The forces which were considered available for any or all courses of action are attached as Annex H.[3]

III. Consideration of Courses of Action

Indochina

1. Study of this problem did not cover Indochina as a whole, but evaluated the effect and feasibility of the provision of naval and air support to French Union Forces in North Vietnam in the initial phase of an attack. As a result it was concluded that the provision of this type of assistance, including air attacks against certain selected targets in South China, was not only feasible, but essential since without such aid the ability of the French Union Forces in Tonkin to withdraw from their present positions into the vital Hanoi–Haiphong area and to hold it for even a limited period is extremely doubtful.

2. The effectiveness and even the feasibility of this course depends to a large extent on the prior improvement of some existing airfields, the setting up of an adequate control and reporting system and certain logistical preparations. The cost of such measures is not considered excessive when considered in relation to the advantages which would result.

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[2] *Ante*, p. 303.

[3] None of the annexes to this report is printed.

3. It is strongly recommended that this course be approved and the necessary preliminary preparations be undertaken, since it is felt that the security of Southeast Asia depends largely on the maintenance of the integrity of the Tonkin Delta.

Hong Kong

4. The retention of Hong Kong in the face of Communist attack would uphold the major aim of the Five Powers by containing Communism. A clear indication of a firm intention to hold the Colony would also be a considerable deterrent to further aggression. Furthermore, a secure Hong Kong with an effective air establishment would be a threat to enemy communications in South China.

5. Annex B specifies the military requirements which must be met if Hong Kong is to be held. These include the presence of two infantry divisions, less two battalions, and a force of high performance fighter aircraft in Hong Kong on D-day. So long as the period of warning remains short, these forces must be a part of the normal garrison. Another pre D-day requisite is the construction of a new airfield in Hong Kong. If these preparations are to be effective, a considerable scale of air and naval assistance as well as ground reinforcements must also be available at short notice. Owing to the time factor the naval and air assistance would necessarily be provided largely by the U.S. forces in adjoining areas.

6. Until the necessary forces are allocated and the other requirements to maintain the security of Hong Kong are met, Allied cooperation in the defense of Hong Kong by the provision of naval and air assistance is the only feasible course. Assistance limited to these categories could not ensure a successful defense of the Colony against a full scale attack, but it would compel the enemy to deploy larger forces against it, delay its fall and assist the evacuation of non-combatants. The most important form which this assistance could take would be air action, particularly against the Chinese Communist Air Force.

7. To enable such naval and air forces to make their due contribution, prior coordination of plans, agreed command and liaison arrangements and certain new communication facilities are necessary. The establishment of such machinery is essential to the implementation of either course of action and completion of these preparations involves only a small outlay.

Attacks Against Selected Targets

8. The air forces that might be available are not large enough to conduct an effective campaign against the whole of China, but could be used to great advantage against targets south of the Yangtze in the event of further Chinese Communist aggression in Southeast Asia. This course would be most effective when supplementing other courses of action such as blockade of the China

coast, and certain elements of it would be essential to the defense of Indochina or Hong Kong.

9. The air forces listed as those that might be available are deficient in medium and light bombers particularly in the event of strong counter air force action being required and in the event of withdrawal of the CCAF to bases outside the range of carrier aircraft. With the short range air forces possibly available, there would be a considerable strike capacity against targets on the coastal belt to a distance of about 250 miles inland. This capability would be greatly reduced in the event of a large Korean commitment.

10. Any restriction of air attacks to targets within a radius of two or three hundred miles of the area of aggression would substantially reduce the effectiveness with which the forces available could be employed. Such a policy might seriously limit the type of target that might be engaged and the weight of effort that could be brought to bear.

Blockade

11. Study of the problem of blockading the China coast in the event of further Chinese Communist aggression in Southeast Asia indicates that it is feasible and has military advantages, provided that it is coupled with a declaration of contraband, with air attacks against selected targets on the Chinese mainland and perhaps with other measures. It could virtually stop strategic materials reaching China from overseas, disrupt sea communications south of Tsingtao and impose a strain on the internal communications of China, thereby reducing the ability of the Chinese Communists to sustain military operations in Southeast Asia.

12. The blockade forces required are not excessive, but they must be supported by aircraft based on Formosa and the part-time efforts of a naval task group of four attack carriers and supporting ships. Mining by aircraft is an important element of the blockade.

Psychological Warfare

13. Psychological warfare can and should play a valuable part in countering Chinese Communist aggression by weakening the enemy's will to fight, influencing neutrals and stimulating friendly peoples. The cost of the psychological warfare effort would be comparatively small.

14. Planning for the conduct of psychological warfare should continue within the framework of the existing Five Power military coordinating machinery.

Guerrilla Warfare

15. There is a guerrilla potential throughout Southeast Asia from South China to Malaya which, if developed, could have a considerable long term effect on further Chinese Communist aggres-

sion. To gain the maximum effect, guerrilla operations must be coordinated to assist the main military operations that may be undertaken. Each Power should continue independently to develop guerrilla potential and national plans.

16. Limited coordination could be achieved by:

a. Exchange of information on targets suitable for engagement by guerrillas, in support of military plans.

b. Each nation maintaining an estimate of the contribution that could be made in support of the military effort by the guerrilla operations it could sponsor. Such an estimate could be held ready for communication to the Allied Power attacked or seriously threatened.

Thailand

17. Allied military assistance to Thailand should be provided only at the request of the Thai authorities and would depend for its effectiveness on the morale of the Thai people and the will of the government to resist internal subversion and Chinese Communist aggression.

18. To meet the internal threat the Thai forces are in need of three infantry brigades and one air transport squadron. To remedy this deficiency the U.S. should examine its military air policy with a view to influencing the Thai government to modify its troop basis under the terms of the Mutual Defense Assistance Program (MDAP). At the same time the U.K. should examine the feasibility of furnishing one infantry brigade if required.

19. The real defense of Thailand against the external threat lies in the success of other Allied courses of action in Southeast Asia. Should, however, these other courses fail, or not be undertaken, the defense of a portion of Thailand would be desirable. It would be feasible, providing Allied forces of the order of 4–6 divisions with appropriate naval, air and logistic support were available, and providing also that the necessary infrastructure, including airfields, could be constructed in Thailand in the time available.

IV. Inter-Relation of Courses of Action

1. The relationship of the possible courses of action to each other is such that no course should be considered for implementation in isolation.

2. Great emphasis must be placed on the defense of the Tonkin Delta in Indochina. The loss of this area to the Communists would simplify their continued expansion while compounding the difficulties of the Allies. Under the conditions of the study, defense of the Tonkin Delta, to be successful, must be accompanied by air attacks on certain selected targets on the Chinese mainland and might also require implementation of a blockade of the China coast. Those in

turn could cause a reaction by the Communists in the form of action against Hong Kong.

3. A direct Chinese Communist attack against Thailand by-passing the Tonkin Delta is also a possibility. To counter this threat, aggressive Allied action in the form of intensified operations in Indochina and air attacks against selected targets on the Chinese mainland might be necessary. Here again a blockade of the China coast could progressively reduce the Chinese Communist offensive capability.

4. A fundamental requirement for the success of any Allied counter action against the Chinese Communists is the early neutralization or destruction of the Chinese Communist Air Force. It is considered that Allied counter action against Communist attack would include immediate support at the point of aggression and that the early reduction of Chinese Communist capacity for offensive operations could best be achieved by continued air attacks against selected targets on the Chinese mainland and the early dislocation of Chinese coastal shipping.

5. Allied guerrilla and psychological warfare capabilities could and should be implemented in conjunction with any other course of action as their results would be reflected in the overall reduction of Chinese Communist offensive capabilities.

6. It is apparent that not all of the courses of action considered could be implemented at the same time with the forces available. Certain courses might be implemented concurrently depending on the availability of forces. While the optimum effect of each course might not be achieved, the results would be worthwhile.

7. Certain of these courses involve a risk of widening the conflict both in Asia and elsewhere. These risks could not be taken into account in this purely military conference and in some circumstances these may not be acceptable. The question of widening the conflict may not, however, arise, e.g., if the initial aggression itself is widespread. This consideration should not be allowed to retard the preparation of coordinated military plans.

8. The inter-relation of courses of action has been considered only in relation to Southeast Asia and not to other courses of action in the Far East, e.g., Korea, which might make demands on the same forces.

9. Some additional remarks are at Annex J.

V. Recommendations Relative to Courses of Action

The following recommendations, particular to the various courses of action, are made as a result of conclusions reached in the planning studies. Should they be adopted, it is recommended that early action be taken to give effect to them, since the quick and effective implementation of any of these courses will depend on the degree of readiness when the emergency arises.

Indochina

It is recommended that:

1. Approval be given for the preparation of coordinated plans for the provision of Allied naval and air assistance in the defense of Indochina.

2. Subject to the approval of paragraph 1, above, the following action be taken:

a. A United States commander for U.S. forces supporting Indochina be designated.

b. The designated U.S. commander and the French commander be directed to coordinate plans for naval and air support of Indochina.

c. Communications required for the successful operation of U.S. naval and air forces in support of Indochina and the coordination of operations be established.

3. The following be provided or established:

a. An early warning and intercept radar system.

b. Improved airfield facilities.

c. Additional AA defense for the Haiphong area.

d. IFF responders Mk III for all French land-based aircraft.

e. Stocks of fuel, bombs, ammunition, etc., and associated equipment for the support of Allied aircraft.

Hong Kong

It is recommended that:

4. Approval be given for the preparation of coordinated plans for the provision of Allied naval and air assistance in the defense of Hong Kong.

5. Consideration be given to improving the defenses of Hong Kong to make it secure against possible Chinese Communist aggression.

6. Subject to the approval of paragraph 4, above, the following action be taken:

a. A United States commander for U.S. forces supporting Hong Kong be designated.

b. The designated U.S. commander and the Commander British Forces, Hong Kong, be directed to coordinate plans for the naval and air support of the Colony.

c. Communications required for the successful operation of U.S. naval and air forces in support of the Colony and the coordination of operations be established.

7. Subject to the approval of paragraph 5, above, the following steps should be taken in addition to those in paragraph 6, above, to provide:

a. One additional airfield with adequate facilities at Hong Kong.
b. Adequate radar facilities.
c. Land and air garrison forces as indicated in Annex B.
d. Essential reinforcement as indicated in Annex B.

Attacks Against Selected Targets

It is recommended that:

8. Approval be given for the preparation of plans for attack on selected targets in Communist China.

9. Subject to approval of Paragraph 8, above, the following action be taken:

a. A designated U.S. commander be directed to effect liaison as necessary with Allied commanders in Hong Kong and Indochina in connection with routing and identification, communications, weather, rescue and other matters of mutual concern.
b. Studies be undertaken on a national basis with a view to improving airfields in Southeast Asia to meet the needs of modern military aircraft.
c. The requirement for more light and medium bombers be noted.
d. Intelligence be exchanged with a view to arriving at an accurate and up-to-date survey of targets in Communist China together with an assessment of the likely Chinese Communist air opposition.
e. A further study be undertaken to determine an agreed estimate of bombing accuracies of Allied air forces that might be engaged.
f. Depending on the conclusions reached in d. and e., above, a detailed assessment be made of the force requirements necessary for specific target systems.

Blockade

It is recommended that:

10. Approval be given for the preparation of plans for a blockade of the China coast.

11. Subject to the approval of paragraph 10, above, the following action be taken:

a. A United States commander be designated as Blockade Force Commander.
b. The designated U.S. Blockade Force Commander be instructed to initiate and coordinate the necessary outline plans.
c. The designated U.S. Blockade Force Commander be instructed to prepare a communication plan for coordination between blockading forces and operational control authorities.
d. A U.K. Joint Naval/Air command be designated for the Southern Area blockading forces to control such U.K., French, Australian and New Zealand forces as may be allocated.
e. The Allied powers develop, within their capabilities, improved methods of destroying junks and exchange information on this subject.

Psychological Warfare

It is recommended that:

12. Approval be given for the continuation of planning for psychological warfare, to be undertaken within the framework of the existing Five Power military coordination machinery.

13. Subject to the approval of paragraph 12, above, the following tasks should be carried out:

a. Develop and coordinate a psychological warfare program for Southeast Asia.

b. Study the relative efficiency of the various methods which can be employed in specific regions of Southeast Asia.

c. Review the technical facilities available.

Guerrilla Warfare

It is recommended that:

14. Approval be given for planning and coordination of guerrilla operations to continue on the basis that each nation should:

a. Continue independently to develop guerrilla potential and national plans for guerrilla operations in Southeast Asia.

b. Exchange with other powers, information on targets suitable for engagement by guerrillas.

c. Maintain, as applicable, an estimate of the contribution their plans could make to the main defense plans and hold such estimates ready for communication to any Allied Power attacked or seriously threatened.

Thailand

It is recommended that:

15. To meet the internal threat:

a. The United States should examine its military air policy with a view to influencing the Thai Government to modify its troop basis to provide an additional three infantry brigades and one air transport squadron under the terms of the Mutual Defense Assistance Program.

b. The British Defense Coordination Committee should examine the feasibility of furnishing one infantry brigade for employment in Thailand.

16. Since the provision of naval and air assistance to Thailand would do little more than delay a Chinese Communist invasion, it should not be considered further at the present time.

17. Approval be given for planning to proceed, on a low priority, for the deployment of naval, land and air forces in the defense of at least part of Thailand.

T. J. Daly
Senior Representative,
Australian Delegation

L. Pennacchioni
Senior Representative,
French Delegation

H. E. GILBERT
Senior Representative,
New Zealand Delegation
E. A. WHITELEY
Senior Representative,
United Kingdom Delegation
A. P. STORRS
Senior Representative,
United States Delegation [4]

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[4] Rear Admiral Storrs was Chief of Staff to CINCPAC.

790.5/7–1553

Memorandum of Conversation, by Armistead M. Lee of the Office of British Commonwealth and Northern European Affairs [1]

TOP SECRET [WASHINGTON,] July 15, 1953.

Subject: ANZUS

Participants: Admiral Arthur Radford, Chairman, JCS
Colonel Robert Ferguson, Office of Foreign Military Affairs, Office of the Secretary of Defense
Mr. Amos Peaslee, Ambassador to Australia
Mr. Avery F. Peterson, BNA
Mr. Armistead M. Lee, BNA

Admiral Radford spoke warmly of both Mr. Menzies and Mr. Casey, and asked Mr. Peaslee to convey his best regards to them. He had much enjoyed his contact with Mr. Casey at the ANZUS Council last year, and with the Australian and New Zealand officers at the meetings of the ANZUS Military Representatives, as well as those on establishing a 5-power staff agency on Southeast Asia.

Admiral Radford said that he hoped that we would not change our opposition to the inclusion of the U.K. in ANZUS. Even without the U.K. in ANZUS there had been enough misunderstanding in other Pacific countries where the impression persisted that this was a Pacific Pact. He recalled that it had been necessary to have a special conference with the Philippines in order to placate Quirino's concern.[2]

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[1] Drafted on July 17. Avery F. Peterson, a participant listed below, was the Officer in Charge of Commonwealth Affairs.

[2] Apparent reference to the meeting described in circular telegram 38 from Manila, Oct. 29, 1952, not printed. (796.5/10–2952)

Pointing out that the British were kept fully informed of anything substantive that was discussed at ANZUS gatherings, and that the previous Labor Government in the U.K. had concurred in this arrangement, the Admiral expressed the view that this was purely a prestige question on Churchill, who seemed to feel that it reflected on the Commonwealth for Australia and New Zealand to sit down with the U.S. in the absence of Great Britain. Although at the first ANZUS Council meeting last August both Casey and Webb had made a *pro forma* request for British observer status, the Admiral felt that they were quite happy to have us turn down the suggestion. He was quite certain also that neither the Australian nor New Zealand military representatives wanted to have British participation, since this would have a dampening effect on their freedom of expression.

Questioned as to his views on a possible link between ANZAM and the ANZUS Military Representatives, a suggestion which had been discussed in some Australian papers, Admiral Radford said that he regarded this as just another effort of the British to get into ANZUS by the back door. He had already had a conference, two years ago, with the Australian, New Zealand and British naval representatives, defining areas of operational responsibility for convoying and antisubmarine warfare, etc., as between CINCPAC and ANZAM.[3] But this was now settled, and there was no need for periodic meetings with ANZAM, which had a quite different function from that of the ANZUS Military Representatives.

He recalled that the Australians and New Zealanders had wanted to station ANZUS liaison officers continually at Pearl Harbor and that he had succeeded in talking them out of this. While assuring them that such officers would be made welcome, he had made it clear that there would really not be enough for them to do to justify the expense, and that the needs for consultation could be met by periodic get-togethers.

Admiral Radford said that these meetings had been worth while, and that experience with them had proved most useful, from his point of view, in the subsequent discussions which had included British and French representatives, over the establishment of a 5-power staff agency for Southeast Asia.

Asked whether he thought that the staff agency would meet the British demand for inclusion in ANZUS, Admiral Radford indicated that it could hardly meet this prestige issue since there has been absolutely no publicity on the entire staff agency project. He pointed out also that the 5-power group had an entirely different function and geographic scope from ANZUS. In his opinion there was justification for continued and separate existence for both organizations.

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[3] Apparent reference to the Radford-Collins conference held at Pearl Harbor, Feb. 26-Mar. 2, 1951. For background information, see HON Special 4 of July 30, 1952, p. 161.

790.5/7-2453

Memorandum of Telephone Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor) [1]

CONFIDENTIAL WASHINGTON, July 24, 1953.

Subject: Statement of Prime Minister Menzies re U.S. Responsibility for British Exclusion from ANZUS

Participants: Minister Arthur Tange, Australian Embassy
Mr. Raynor, BNA

I called Minister Tange this afternoon and told him that the Department was surprised and could not understand the statement reported to have been made by Prime Minister Menzies at his press conference on his return to Australia, which read, in part, as reported in the Australian News Summary issued by the Embassy No. 53/139 of July 23,[2] as follows, "We understand and sympathize with the desire of Britain to be associated with ANZUS, but if America is not willing to extend the membership of ANZUS, there is nothing Australia and New Zealand can do about it short of breaking up the treaty; and this we are not willing to do."

I said that at the Honolulu meeting of the ANZUS Council Australian Minister of External Affairs Casey had made a firm statement to the effect that the decision that the British should not be associated with ANZUS was rightly a joint decision of the three members. I said we had understood there was firm tripartite agreement on this point and that, in fact, this tripartite position had been maintained uniformly to date. Hence, it was difficult for us to understand the Prime Minister's statement which apparently placed the onus on us. I said this did not seem in accordance with our understanding, or fair. I asked the Minister if he would report this concern to his Government. This he promised to do and said he would try to get whatever background that might be available with respect to the Prime Minister's statement.

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[1] Drafted on July 25.

[2] Not printed.

890.00/8-453

Memorandum by the Assistant Director for Resources and Requirements, Mutual Security Agency (Johnson) [1]

TOP SECRET [WASHINGTON,] July 27, 1953.

ASIAN DEVELOPMENT PLAN IN NUTSHELL

(See memos Johnson to Stassen June 11 & July 15) [2]

1. U.S. to propose a specific plan for cooperative Asian economic development and method of financing same. Plan to aim at viable regional economy in 10 years.

2. Regional Development Institution or Bank to be created to provide loan (and grant) financing of projects sponsored by Colombo, Ecafe, or other sponsors.

3. Management to be under contract with IBRD.

4. Institution to have $2 billion plus or minus in yen, dollars, sterling, guilders and francs, subscriptions payable over 10 years.

5. Yen to be derived from transfer of Japanese reparations credit to the Bank by Asian countries holding reparation claims. These countries to receive equivalent Bank credit *not* limited to yen.

6. Dollars to be derived (about $800–$900 million) from settlement of Garioa debt as follows. Instead of Japan paying U.S. 37½% over 35 years (German pattern), Japan to pay 37½% in 10 years ($80–$90 million per year) to Bank. Bank to give U.S. its notes payable over period of 50 years with 25 year waiting period.

7. Sterling, guilders, francs, Canadian dollars to be derived from U.K., Australia, New Zealand, Canada, Netherlands, France, etc. for same motives which prompted Colombo. Total subscription asked might be about one-half the dollar credit (say $500 million payable over 10 years). These countries should receive notes payable over say 10 years with 15 year waiting period.

8. Thus is provided for Asian & Pacific region cooperative financing institutions capital in the magnitude of $2 billion, nearly half in dollars, with no U.S. appropriation required, no write-off debt, simply longer terms on GARIOA collection.

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[1] The source text is attached to a memorandum of Aug. 4 from Merrill Gay, Economic Adviser in the Bureau of Far Eastern Affairs, to Robert J. G. McClurkin, Deputy Director of the Office of Northeast Asian Affairs. Gay stated in part that Stassen had mentioned this proposal to the Secretary and that the two intended to discuss it further. However, additional documentation regarding consideration of the proposal at that level has not been found in Department of State files.

[2] Neither found in Department of State files.

Proposed Action

1. Stassen and Dulles to name small top staff group to refine the plan and make final recommendations to Dulles & Stassen.

2. Negotiating sequence might be: after preliminary discussion with Japanese and British separately, President to kick-off with public announcement of objectives and skeleton of plan, asking countries to agree in principle. Provide drama of Asian cooperation.

790.5/7-2853

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

CONFIDENTIAL [WASHINGTON,] July 28, 1953.

Subject: Menzies' Statement on ANZUS

Participants: Minister Arthur Tange, Australian Embassy
Mr. H. Raynor, Director, BNA

In the course of a conversation today on other matters, Mr. Tange said he had had an interim reply with respect to the representation I had made to him on Friday on the Prime Minister's statement. External Affairs will not be in a position to get at the facts of this matter until the Prime Minister reaches Melbourne.

Mr. Tange gave it as his personal opinion that the statement must have been made for domestic political reasons in Australia and he related it in his own mind to a press story recently in Australia to the effect that in London a bitter battle on this question had developed between the two Prime Ministers. He said this story had been without foundation but that for political reasons he thought the Prime Minister may have felt it necessary in this manner to "scotch it".

He said the matter had come up in a dinner conversation on Friday evening last among the Secretary and Ambassadors Spender and Peaslee. According to Mr. Tange's report Spender had also attributed the making of the statement in his personal view to domestic political considerations. According to Mr. Tange (he was not present) the Secretary had indicated an understanding of the domestic political problem and had made an observation to the effect that our shoulders were broad and that perhaps on occasion we could stand something of this type.

890.00/8-453

Memorandum by the Economic Adviser in the Bureau of Far Eastern Affairs (Gay) to the Assistant Director for Resources and Requirements, Mutual Security Agency (Johnson) [1]

TOP SECRET [WASHINGTON,] July 30, 1953.

Subject: Joint Fund Institution for Asian Development.

1. The essential proposal in the Plan, that is, some kind of a regional financial organization to stimulate economic development and trade in the Far East, is challenging and deserving of full consideration in the Government. There can be no disagreement with the central objectives. Certain aspects of the structure of the Plan as presently set forth do, however, raise problems.

2. The idea of a regional development bank should, I think, be fully looked into at this time; it should be studied in relation to the operations and potentialities of the IBRD and also perhaps in relation to a possible SUNFED. If production and trade within the Far East and between that region and the rest of the world are held back by financial limitations, institutional changes should be made to rectify the situation. The possibility of a new central financial organization more fully coordinating the use of funds already available to the region is in itself challenging and deserving of study.

3. I have difficulty with the part of the plan having to do with the use of reparations as a source of funds. I doubt that the recipient countries would look with favor upon exchanging what they consider a firm claim for Japanese goods or services for credits in the bank. In any event, negotiation between Japan and recipient countries re the *amount* of the claims due would have to precede any such step as envisaged. I am afraid also that the U.S. under the plan proposed would find itself out in the middle between Japan and the claimants, a position we have tried to sidestep. From Japan's point of view, the proposal would require transfer of currency and a consequent pressure on the balance of payments which the Peace Treaty tried to avoid. The proposal would completely reverse the principle of avoiding a transfer problem.

4. If the U.S. could simply transfer its GARIOA claim on Japan to the Far East as a whole, it would be making a major contribution which would doubtless bring favorable political reactions. This, I assume, is out of the question. Simply to postpone collection and let these funds be used temporarily would, I believe, largely invalidate the possible political advantage from the outright grant. I am afraid as it stands in the proposal it would appear to Asians that

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[1] This memorandum is another attachment to the memorandum cited in footnote 1, p. 331.

our willingness or ability to contribute to the economic needs of the area was solely dependent upon how much we could collect from Japan. This, in fact, might be unfavorably received. It is true, of course, that GARIOA might provide a means of getting funds for use now which we could not otherwise obtain. The cost to the U.S. economy would simply be transferred in time. However, as far as present taxpayers are concerned, shutting off the inflow of GARIOA dollars to the U.S. Treasury would theoretically require an increase in taxes or a postponement of reduction in taxes.[2] If there is a real present need for lendable funds not available in the IBRD or otherwise, then the transferring of GARIOA funds as suggested might be of some significance. In any event, I should think Congressional approval must be obtained and a Congress unwilling to appropriate for a direct contribution or loan to such a plan might be equally reluctant to do it through a diversion of GARIOA obligations.

5. I find it difficult to accept your assumption that other so-called metropolitan powers would be willing to contribute to the plan under the same motives behind the Colombo Plan. Incidentally, France was not a contributor and the other countries have contributed on a bilateral basis. I strongly doubt that there will be much new funds from these sources.

6. Japan's interest in this proposal would presumably be dependent upon how extensively and rapidly the operation of the new bank would stimulate production and trade in the area. Quite aside from the question as to whether trade production in the area is currently held back from lack of international lending facilities, I doubt that Japan would anticipate sufficient gain from it to offset the burden on its balance of payments of transferring reparations in funds rather than services and in stepping up its GARIOA payments sufficiently to have them liquidated in ten years.

7. I fear some of the foregoing comments sound quite negative and I regret very much finding myself beset by these doubts and questions. As I mentioned at the outset, we are in fullest agreement in regard to the objective and your central proposal deserves the very fullest consideration. It is hoped that machinery can be set up which on the financial side of things will stimulate trade and production in the Far East and to that extent relieve in particular Japan's requirements. It is only the structural aspects which cause the trouble.

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[2] A handwritten interpolation reads: "or a reduction in other forms of aid".

790.5/8-2153

The Acting Secretary of State to the Secretary of Defense (Wilson) [1]

SECRET [WASHINGTON,] August 21, 1953.

DEAR MR. SECRETARY: It is the purpose of this letter to request the views of the Department of Defense on the question of possible United Kingdom participation in ANZUS, perhaps at the military level. The question is likely to be raised by the Australian and New Zealand Ministers at the forthcoming meeting of the ANZUS Council, which has been tentatively set for September 9–10 in Washington.[2]

As the Department of Defense knows, the problem of possible United Kingdom participation in ANZUS was considered at the first meeting of the ANZUS Council at Kaneohe in August 1952. It will be recalled in this regard that Article VIII of the ANZUS Treaty authorizes the Council to establish consultative relationships with other states or regional organizations. The United Kingdom had expressed to each of the three Governments its strong desire, based on its extensive interest in the Pacific as well as on its Commonwealth ties with Australia and New Zealand, to become associated in some manner with ANZUS, at least in an observer status.

Although the Council was sympathetically inclined toward the United Kingdom position it concluded that it would be premature at this early stage in the Council's development for it to arrange for United Kingdom participation in ANZUS or indeed to establish relationships with any other states or regional organizations. The Council had in mind that the participation of the United Kingdom in ANZUS at this time would expose the enterprise to pressures from other governments seeking to participate, notably the Philippines, France, Korea, Japan, and the Netherlands—pressures it would be very difficult to withstand. The Council considered that the irritations engendered by such pressures would militate against the growth of the general spirit of the cooperation in the Pacific which it is the fundamental purpose of ANZUS to foster. The Council also had in mind the necessity of avoiding any step carrying the possible implication that ANZUS represented in the Pacific either a revival of "western imperialism" or an instrument of "white supremacy".

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[1] Drafted in BNA and cleared with FE and G.

[2] Documents in file 790.5 for July, August, and September of 1953 indicate that the three powers had settled upon these particular dates so as to enable Casey and Webb to attend the Council meeting prior to their previously scheduled attendance at the Eighth Session of the UNGA, which opened in New York on Sept. 15.

Nevertheless, recognizing the interest of the United Kingdom in the Pacific area and the importance of the Commonwealth ties between Australia, New Zealand and the United Kingdom, the Council agreed that there was nothing in its discussions which it would have any reason to withhold from the United Kingdom and it decided that the United Kingdom should be kept fully and currently informed of its proceedings.

The United Kingdom Government has continued to be dissatisfied by its "exclusion" from ANZUS and has made several attempts during the past year to persuade the three ANZUS Governments to reconsider their position. Prime Minister Churchill discussed the matter with President-Elect Eisenhower at New York last January and said that Prime Minister Menzies of Australia had suggested the possibility of a liaison relationship between ANZUS and ANZAM (the British-Australian-New Zealand Military Planning Organization for the defense of Malaya and Australasia).

Another suggestion (which originated with Sir Frederick Shedden, Australian Secretary of Defense) [3] is that an officer of one of the United States services, other than the separate service attachés at Melbourne, might be accredited directly to the Australian Department of Defense and sit, together with the senior United Kingdom Defense representative, on the Australian Defense Committee when it considers ANZUS or ANZAM matters. Sir Frederick indicated that such an arrangement would be acceptable to his Department even without reciprocal access or accreditation of an Australian officer to the Department of Defense in Washington, which he realizes would not be acceptable to the Joint Chiefs of Staff.

A third possibility is that advantage might be taken of the fact that high-ranking officers of the United Kingdom services are occasionally seconded to the Australian and New Zealand services; one of these officers might be designated to participate in the Military Representatives group accredited to the ANZUS Council.

These suggestions, and there might well be others, all involve some kind of United Kingdom participation in or liaison relationship with ANZUS at the military level. It is fully appreciated that they are therefore of obvious and direct concern to the Department of Defense.

For its part, the Department of State, bearing in mind not only the substantial interests of the United Kingdom in the Pacific area and the significance of the Commonwealth ties between the United Kingdom, Australia, and New Zealand but also the importance of the Anglo-American relationship, would like to find some means to meet the United Kingdom position without risking the difficulties which, as noted above, influenced the Council's decision a year ago. Apart from the fact that there would be certain advantages to the ANZUS Council in having a relationship with the United Kingdom, the adoption of some means of meeting the United Kingdom position would remove the pressures to which the three ANZUS Governments have been subjected and would eliminate the serious concern which has been felt in London over the "exclusion" of the United Kingdom from ANZUS.

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[3] Sir Frederick was Permanent Secretary of that Department.

In view of the imminence of the forthcoming Council meeting, the Department would appreciate receiving as soon as possible the views of the Department of Defense concerning this problem. Officers of the Department of State would of course be happy to discuss the matter with officers of your Department if that were desired.

Sincerely yours,

WALTER B. SMITH

Conference files, lot 60 D 627, CF 161

Agreed Record of Proceedings of the Second Meeting of the Military Representatives to the ANZUS Council [1]

SECRET PEARL HARBOR, T.H., September 4, 1953.

The second meeting of the Military Representatives to the ANZUS Council convened at 10:00 a.m. on 3 September 1953 at Commander in Chief U.S. Pacific Fleet Headquarters, Pearl Harbor, T.H.

Admiral Stump [2] acted as Chairman in accordance with the procedures agreed upon at the first meeting that the Military Representative of the host nation would be the Chairman.

The Military Representatives to the ANZUS Council agreed to the following:

A. *Status of ANZUS Military Planning*

1. The "Report by Staff Planners to Military Representatives to the ANZUS Council, Report No. 1" [3] was reviewed by the Military Representatives. It was determined that each of the Military Representatives had submitted this report to respective Chiefs of Staff, or equivalent, with appropriate recommendations. The actions of the respective Chiefs of Staff were reported to be as follows:

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[1] This document is part of Annex F to the Agreed Record of Proceedings of the Second Meeting, ANZUS Council. The remainder of Annex F, other annexes, and the Agreed Record itself are not printed.

[2] Adm. Felix B. Stump had succeeded Admiral Radford as CINCPAC and CINCPACFLT on July 10.

[3] Dated Nov. 25, 1952, p. 242.

a. *Australia*

The objective stated in the ANZUS Staff Planner's Report of associating United Kingdom and France with the course of action recommended has been achieved by the development of the Five-Power Planning Studies which have largely undertaken [*overtaken?*] and absorbed the proposals in the former. Therefore, no further action is now necessary on Report Number One by the ANZUS Staff Planners which, however, provided a most valuable basis for the Five-Power Planning Studies subsequently developed and demonstrated the efficacy and value of the ANZUS military machinery as a joint planning agency.

b. *New Zealand*

The report was considered by the Chiefs of Staff who supported the thought that every effort should be made to obtain agreement and recommended support for Five-Power discussions which might lead to an agreed policy regarding action to be taken to counter further Chinese Communist aggression. However, the Chiefs of Staff recommended that the course of action in the ANZUS Report should not be adopted as the basis of ANZUS military policy on the grounds that the ANZUS military organization did not provide a suitable forum for the consideration of Southeast Asian problems when the United Kingdom and France who were intimately concerned were excluded.

c. *United States*

The United States Joint Chiefs of Staff have noted the report. They consider that it is consistent with their intent that studies of the Military Representatives to the ANZUS Council be used as background material in development of national plans. Further, appropriate parts of the report should be used in connection with further Five-Power coordination. It was observed that no comment had been made by the U.S. Joint Chiefs of Staff on the paper submitted by the Australian Military Representatives at the First meeting of the ANZUS MilRep entitled "Recognition of the Status of the ANZAM Region as a Possible Theater of War." [4]

B. *Future ANZUS Military Planning*

1. It was noted that the military courses of action in the event of further Chinese Communist aggression in Southeast Asia recommended by the Staff Planners have either been studied or are on the agenda for planning studies by the Military Representatives of the Five Powers on Southeast Asia. Since both France and the United Kingdom have considerable interest and might be involved in each of those courses of action, it is considered that the continu-

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[4] Printed as Appendix B to the Agreed Record of Proceedings of the First Meeting of the Military Representatives to the ANZUS Council, p. 225.

ation of the planning studies by the Five Powers is the appropriate means for the exchange of planning information on which to base coordinated national military plans.

2. It was further noted that the courses of action to meet the current Communist threat in Southeast Asia are broad in nature and that France and the United Kingdom would also have considerable interest in their application. It is therefore considered that these courses could also best be studied by the Military Representatives of the Five Powers on Southeast Asia.

C. *Recommendations to the ANZUS Council*

1. It was agreed that the following recommendations should be made to the ANZUS Council:

a. The "Report by Staff Planners to Military Representatives to the ANZUS Council, Report No. 1" be used by the Australian, New Zealand, and United States Representatives as a guide for planning studies by the Military Representatives of the Five Powers on Southeast Asia.

b. No other military studies on measures which might be taken to increase mutual assistance and self-help, looking to the improvement of the defense of Australia and New Zealand and their territories as related to the overall strategic defense in the Pacific be undertaken at the present time.

The meeting was concluded at 1120 4 September 1953.

S.F. Rowell
Lieutenant General,
Military Representative of Australia

W.G. Gentry
Major General,
Military Representative of New Zealand

F.B. Stump
Admiral,
Military Representative of the United States

Eisenhower Library, Dulles papers

Memorandum by the Secretary of State to the Assistant Secretary of State for European Affairs (Merchant) and the Counselor of the Department of State (MacArthur) [1]

Washington, September 8, 1953.

Subject: ANZUS

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[1] Drafted by the Secretary personally.

I have discussed with the President [2] the forthcoming ANZUS Conference and said that the only concrete issue of political significance would be the possible pressure to include the U.K.

I recalled to the President Churchill's previous talks to him and me in New York [3] and the political background in the U.K. of this question. I pointed out that a purely private and confidential association would not meet this political problem, and that a formal association would raise serious problems, particularly with the French, with the aspect of ANZUS as a colonial organization.

I also stated that the Defense Department was not prepared to recommend the implicit assumption by the U.S. of responsibilities for the U.K. positions in the Far East, such as Hong Kong and Malaya.

I stated that it would be particularly embarrassing at this juncture to bring the U.K. in without the French because of the French position in Indochina. The President remarked that the U.K. could never understand why they should not have a special position with us to the exclusion of the French, and that made matters difficult. He stated that we should continue our past policy of postponing any change in the present set-up.[4]

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[2] In Denver. Dulles had returned to Washington on Sept. 7 or 8.

[3] See the memorandum by McWilliams dated Jan. 8, p. 258.

[4] In a memorandum of a conversation held in Washington, Sept. 8, Foster stated that the Secretary had outlined the President's position to Ambassador Munro and Webb. "Mr. Webb said the New Zealand Government thoroughly agreed that nothing could be done to meet the United Kingdom position. He expressed in strong terms the hope that some way may be found to dispose of the problem permanently." (Memorandum drafted Sept. 16; Secretary's Memoranda of Conversation, lot 64 D 199. This lot file includes conversations held by Dulles and his successor, Christian Herter, for the entire period of their tenures (1953-1961).)

Conference files, lot 60 D 627, CF 163

United States Minutes of the Second Meeting, ANZUS Council: First Session

SECRET WASHINGTON, September 9, 1953—10:15 a.m.

WAM M-1

[Here follows a list of persons present (29). The Australian Delegation, led by Casey, included Ambassador Spender and Lieutenant General Rowell. Webb headed the New Zealand Delegation, which included Ambassador Munro and Major General Gentry. Dulles' aides included Livingston Merchant, Assistant Secretary of State for European Affairs; Robertson; and Admiral Stump.]

Part I: Open Session

Secretary Dulles, joined by Foreign Minister Casey and Foreign Minister Webb, convened the Second ANZUS Council Meeting in the diplomatic reception room. The Secretary, Mr. Webb and Mr. Casey made brief welcoming statements before the television, newsreel, radio and press representatives.[1]

Part II: Executive Session

The Secretary took the chair as host and asked if the provisional agenda were acceptable. Both visiting Ministers answered in the affirmative.

[Here follows discussion of Item 1 of the agenda, "Administrative Details".]

Agenda Item 2—Survey of World Situation

Soviet Aims and Intentions

The Secretary asked who would like to start the survey and Mr. Webb said that he and Mr. Casey had thought that it should be the Secretary.

The Secretary said that all our international thinking revolves around the estimate of the intentions of Soviet Russia and the Soviet Communist Party. The Government and the Party are not quite the same thing. They are motivated by the same purposes but their procedures are different.

The Party is the real source of the foreign policy of the Soviet Union itself, but the interplay between the two is close. Soviet intentions cannot be deduced solely from a study of Soviet foreign policy declarations. One cannot place reliance solely on decisions made by the Government. The commitments made by Litvinoff to President Roosevelt, such as not to carry on subversive activities, were made by the Soviet Government and contained many fine promises which were never lived up to. The excuse later was that the failure to live up to them was due to activities conducted by the Party and not the Government. This duality is difficult to deal with and it is difficult to know where confidence can be placed.

We feel that recent developments as reflected in the "peace offensive" probably do not indicate any change in basic policy or in the creed of the Party. But one cannot always be certain and must always hope that in the course of time there will be changes in the basic creed of the Soviet Communist Party. The Secretary said he felt there was no change now except in tactics. Stalin's death created internal fissures and jealousies which have made it convenient to relax external pressure in order to strengthen the internal situation. Evidently the Soviets feel it is wise to relax tensions while concentrating on overtaking the atomic supremacy of the free world. The Russians are making considerable progress in this field, although they are still behind the free world. The Secretary said we cannot tell to what extent they have developed atomic "know-how" themselves, or to what extent they have obtained it through leakages of our own "know-how". We make a mistake if we minimize the fact that within the Soviet Union there is a high degree of technical skill. This is partly native but they possess also the top skill of the German scientists in both atomic weapons and guided missiles. They probably hope to develop skill in non-conventional weapons so as to attain a *de facto* standoff in this field in order to allow them to pursue other measures with greater confidence than at present. In this area, the Secretary stressed, a point is reached where one must be guided by absolutes rather than by comparatives.

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[1] These statements are printed in Department of State *Bulletin*, Sept. 28, 1953, p. 415.

One must also bear in mind the fact that the doctrine of occasional withdrawal and relief of tensions is a basic part of Communist theory. The tactic of retreat, they hold, can be just as important as the tactic of advance since you thereby demoralize the enemy and make it possible to advance more effectively. While change is always possible, we must recognize that what is going on is always consistent with the creed of the Soviet Communist Party, i.e. with the belief that "peaceful co-existence" is impossible in the long run and with the objective of believing [*achieving*?] a single world "Socialist State".

The major "peaceful" action—which we do not believe is necessarily indicative of any basic change of approach is the armistice in Korea. The Secretary was not certain if the armistice had come about due to a greater desire for "peaceful co-existence" or because the war had reached the point of diminishing returns through increased strains on the Chinese and the Russians. It could be a desire to relax tensions temporarily or simply a military situation on which they thought it in their best interests to liquidate. Other tests will be available in Germany and Austria and perhaps in Indochina.

[Here follows discussion of developments in Europe, the Middle East, and Korea.]

790.5/9-2853

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

SECRET WASHINGTON, 8 September 1953.

Subject: Participation of the United Kingdom in the Australia-New Zealand-United States (ANZUS) Council.

1. In response to the request contained in the memorandum by the Assistant Secretary of Defense (ISA) dated 31 August 1953, subject as above, the comments and recommendations of the Joint Chiefs of Staff with respect to the question of possible United Kingdom participation in ANZUS are furnished herewith.

2. As you know, the ANZUS Council, at its first meeting at Kaneohe in August 1952, decided that the difficulties which would attend United Kingdom participation in ANZUS, either in an observer status or otherwise, would outweigh the advantages of such participation. The Joint Chiefs of Staff are of the opinion that there has been no change in circumstances since that time which would now justify a modification of that decision. The factors which then influenced the action of the Council still prevail.

3. Under the provisions of Article VIII of the ANZUS Treaty authorizing the Council ". . . to maintain a consultative relationship with States, Regional Organizations, Associations of States or other authorities in the Pacific area in a position to further the purposes of this treaty. . . ," and in accordance with the agreement reached at the first meeting of the Council to the effect that the United Kingdom should be kept fully and currently informed of the Council's proceedings, the United Kingdom has, on the military level, been kept fully advised of the activities of the ANZUS Military Representatives, who are an integral part of the ANZUS Council organization.

4. Since there has been a free flow of information to the United Kingdom concerning ANZUS military planning, it would appear that the various suggestions for liaison between the United Kingdom and ANZUS on the military level have been motivated by considerations pertaining to prestige or to internal politics. If such is the case, it is unlikely that the desires of the United Kingdom in this connection could be satisfied without a public announcement of the liaison arrangements. It is believed that such an announce-

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[1] The Department of State copy of this letter is attached to a covering letter of Sept. 28 by Halaby, who stated that the memorandum had been prepared in response to the Department's letter of Aug. 21, p. 335. Halaby concluded: "It is understood that the Secretary of Defense informed the Secretary of State concerning the subject Joint Chiefs of Staff memorandum, and of his concurrence with same, prior to consideration of this matter at the ANZUS Council on Sept. 10."

ment would lead directly to the difficulties which were visualized by the Council. The Joint Chiefs of Staff can perceive of no means of providing for overt United Kingdom participation in ANZUS on the military level which would not involve the same jeopardy to the success of ANZUS which was foreseen when this matter was considered at the initial meeting of the Council.

5. The Joint Chiefs of Staff therefore recommend that the Department of Defense continue to take the position that, in the absence of circumstances which significantly alter the situation, the Government of the United Kingdom should not be invited to send an observer to attend ANZUS Council meetings or otherwise participate in ANZUS.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

Editorial Note

For an extract of the United States Minutes of the Second Session of the Second Meeting, ANZUS Council, held the afternoon of September 9, see volume XIII, Part 1, page 789. United States Minutes of the Third Session, held the morning of September 10, are not printed.

These sessions were devoted primarily to a general survey of developments in Japan, Taiwan, Indochina, Malaya, and China. Additionally, there was some discussion of the United Nations and of United Kingdom-United States relations. (Both Minutes are in Conference files, lot 60 D 627, CF 163.)

Conference files, lot 60 D 627, CF 163

United States Minutes of the Second Meeting, ANZUS Council: Fourth Session

SECRET WASHINGTON, September 10, 1953—3:15 p.m.
WAM M-4

[Here follows a list of persons present (30).]

Agenda Item 4—Military Questions

The Secretary welcomed Admiral Arthur W. Radford, Chairman of the U.S. Joint Chiefs of Staff, who was present in a consultative capacity at this session by invitation of the Council. The Secretary referred to Admiral Radford's close association with ANZUS in terms of his having been the U.S. Military Representative accredited to the Council and expressed satisfaction, from the ANZUS viewpoint, of having as Chairman of the Joint Chiefs of Staff an officer so intimately informed about the Pacific in general and about ANZUS in particular.

Admiral Radford expressed his pleasure in being present and emphasized his continuing interest in ANZUS.

The Secretary welcomed Admiral Felix Stump, Commander in Chief, Pacific, and Commander in Chief, Pacific Fleet, who was appointed in July 1953 as U.S. Military Representative accredited to the Council to succeed Admiral Radford. Admiral Stump had come on from Pearl Harbor to attend the Council meeting and was accompanied by Rear Admiral C.C. Smith, Assistant Chief of Staff for Joint Plans and Operations, CINCPAC.

The Secretary referred to the meeting of September 3–4 which had been held at Pearl Harbor by the Military Representatives (Admiral Stump, General Rowell, and General Gentry) and requested Admiral Stump to report to the Council concerning the meeting and the general activities of the Military Representatives.

Admiral Stump then submitted to the Council the Military Representatives' Report of September 4, 1953 [1] (which is attached as Annex F to the Agreed Record of Proceedings of the second ANZUS Council meeting).

Admiral Stump read from Annex C of the Military Representatives' Report [2] the following paragraph concerning the position of the United States with respect to the status of ANZUS military planning:

> "The United States Joint Chiefs of Staff have noted the report. They consider that it is consistent with their intent that studies of the Military Representatives to the ANZUS Council be used as background material in development of national plans. Further, appropriate parts of the report should be used in connection with further Five-Power coordination. It was observed that no comment had been made by the U.S. Joint Chiefs of Staff on the paper submitted by the Australian Military Representatives at the First meeting of the ANZUS MilRep entitled 'Recognition of the Status of the ANZAM Region as a Possible Theater of War'."

General Rowell then read from the same Report the following paragraph concerning the Australian position with respect to the status of ANZUS military planning:

> "The objective stated in the ANZUS Staff Planner's Report of associating United Kingdom and France with the course of action recommended has been achieved by the development of the Five-

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[1] For a portion of this Report, the Agreed Record of Proceedings, see p. 337.

[2] Identical to the Report cited in footnote 1 above.

Power Planning Studies which have largely undertaken and absorbed the proposals in the former. Therefore, no further action is now necessary on Report Number One by the ANZUS Staff Planners which, however, provided a most valuable basis for the Five-Power Planning Studies subsequently developed and demonstrated the efficacy and value of the ANZUS military machinery as a joint planning agency."

General Gentry then read from the same report the following paragraph concerning the New Zealand position toward the status of ANZUS military planning:

"The Report was considered by the Chiefs of Staff who supported the thought that every effort should be made to obtain agreement and recommended support for Five-Power discussions which might lead to an agreed policy regarding action to be taken to counter further Chinese Communist aggression. However, the Chiefs of Staff recommended that the course of action in the ANZUS Report should not be adopted as the basis of ANZUS military policy on the grounds that the ANZUS military organization did not provide a suitable forum for the consideration of Southeast Asian problems when the United Kingdom and France who were intimately concerned were excluded."

Admiral Stump referred to the joint recommendation to the Council from the three Military Representatives (paragraph C (1) (b)) which reads as follows:

"No other military studies on measures which might be taken to increase mutual assistance and self-help, looking to the improvement of the defense of Australia and New Zealand and their territories as related to the overall strategic defense in the Pacific be undertaken at the present time."

Admiral Stump said he wished to make it clear that the Military Representatives did not mean that no further studies should ever be undertaken but only that no new studies should be launched now.

Admiral Radford described in detail the achievement of the ANZUS Staff Planners during the past year and emphasized its importance and value not only for the three ANZUS partners but also as the basis for the work of the Five-Power Military Group, which included representatives of the U.K. and France. He wanted to emphasize to the Council that the Planners had been extremely busy since their appointment by the Military Representatives in September 1952 and had done an impressive amount of work. They have taken full advantage of the authority given them and he thought the Council could be proud of them. A further meeting of the Planners was scheduled for September 21 at Pearl Harbor.[3] As to their future work, he thought that in three or four months the stage may have been reached where they will have gone as far as they can without further political guidance from the Council.

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[3] See footnote 1, p. 355.

Admiral Radford referred to the importance, from the point of view of the over-all political situation in the Pacific area, of having minimum publicity with regard to the Five-Power Military Group.

Admiral Stump referred to his satisfaction in the association he now enjoyed with General Rowell and General Gentry. It was gratifying to know one's opposite numbers on such a basis and to be able to communicate with them freely and with complete confidence.

The Secretary expressed his satisfaction over the relationships established among the Military Representatives and their Staff Planners; such relationships meant that emergency problems could be dealt with far more satisfactorily.

Mr. Casey expressed gratification over the reports from Admiral Radford and the Military Representatives and over the excellent relationships they had established. A useful plan had been produced with regard to developments in the cold war which might affect ANZUS and he wondered whether the Military Representatives believed that it was practical and desirable to undertake the additional task of planning in terms of a possible hot war.

Mr. Webb expressed New Zealand's appreciation for the work of the Military Representatives and their Planners, who had certainly paved the way for the accomplishments of the Five-Power Military Group. He was glad to join in the welcome to Admiral Radford.

Admiral Radford said that as he looked at the situation in the Pacific he felt the planning initiated in ANZUS and carried on in the Five-Power Group was not confined to the cold war. Every possible contingency of Communist aggression in the area had been covered, except for the defense of Korea and Japan. The studies which had been done were common to both a cold and a hot war. They covered the situation as it stands today. If there were a global emergency, they could serve as the basis for detailed planning. If, meanwhile, there were major changes in the political alignment, the planners would have to go to work again.

Ambassador Spender expounded at some length the view that there was insufficient planning, coordination, and understanding among the ANZUS partners with respect to the contingency of global war. Australia had certain forces and certain industrial resources. She did not know, however, how she would be expected to use these in global war. Much time and effort had been lost in 1942 because of the lack of understanding and coordination which existed at that time. More specifically, he wondered whether plans should not be undertaken with regard to Australia's role on the side of supplies and logistics.

Admiral Radford said that the Military Representatives and their Staff Planners had neither the terms of reference nor the staff support to enable them to undertake studies along this line. He did not know what the situation in Australia might be, but in the United States such studies, if he understood Ambassador Spender correctly, would be more within the province of the Office of Defense Mobilization than of the Department of Defense. Moreover, he thought that the problem was one for handling at the government-to-government level rather than at the military level. He would like to hear the views of General Rowell and General Gentry.

General Rowell agreed that the problem was not one which could be handled by the Military Representatives and their Planners, who had neither the authority nor the staff for such an enterprise.

General Gentry concurred in this view.

Mr. Casey said that Australia had an office comparable to the U.S. Office of Defense Mobilization, although not so highly developed as the latter. Australia's capacity to produce military items exceeds the power to finance them. Moreover, it can produce quantities in excess of its own military needs. His Government could supply a list of categories of the military items in question.

Admiral Radford said that such a list would be useful and that he thought the Office of Defense Mobilization would be interested in having it.

Mr. Casey referred to the question of standardization. It had been a problem with respect to the Australian offer of assistance to the French in Indochina.

It was the consensus that there should be consideration through direct diplomatic channels of the Australian proposal directed toward the most effective use, in the common effort, of the production capacity of Australia and New Zealand in the field of defense supplies.

Agenda Item 5—Possible Broadening of ANZUS Relationships

Ambassador Munro said he understood the relationship between ANZUS and the Five-Power Liaison Group but could not visualize the relationship betwen ANZAM and ANZUS. He would be interested to hear Admiral Radford's views on this.

Admiral Radford recalled that ANZAM is the British Commonwealth's relationship for mutual defense matters between Australia, New Zealand, and the U.K. Military relationships between CINCPAC and ANZAM had been taken care of by the naval liaison arrangements worked out in the Collins-Radford Conference. The necessary liaison between ANZAM and ANZUS stemmed from Australian and New Zealand membership in both organizations. Ambassador Munro said he would be satisfied if Admiral Radford thought that there was sufficient liaison under present arrangements.

Ambassador Spender said that it might be helpful to meet the British views, if the U.S. did not object by having a U.K. staff officer participate in discussions by the Australian Defense machinery of ANZUS preparations and reports on military aspects.

Admiral Radford said he saw no objection to this procedure, although he thought the argument was academic because the U.K. was already working in the Five-Power Liaison Group, and he assumed that any such participation in the planning stage was acceptable.

Mr. Casey asked if there were any link that could be created to satisfy the U.K.

Admiral Radford did not feel that there was a good case for this. The problem arose from the interest of others who have a perhaps greater right to inclusion in such arrangements than do the British. U.K. interests are largely taken care of in that part of the world through ANZAM, and U.S., Australian and New Zealand interests by ANZUS. In regard to the Five-Power Group, it had been agreed that the Commanders-in-Chief would meet later, perhaps in Singapore or Saigon, but this may arouse Philippine sensibilities. To date we have done very well in avoiding the accusation of setting up a white NATO in the Pacific. In conclusion, Admiral Radford thought that U.K. interests are so well taken care of through membership in the Five-Power Liaison Group and ANZAM that they would have nothing to gain in having a formal relationship with ANZUS.

Mr. Casey said it had been decided that the present membership for ANZUS is final, but that this did not stop embarrassing questions being asked.

Ambassador Spender said there was agreement on the substance of the question but that words must be found to diminish or stop the public argument.

Admiral Radford said he felt that if the U.K. would understand our situation in the Pacific area he believed these irritations could be stopped at the source. The longer limited membership is retained, the better.

Mr. Webb said he had cabled his Government to ask if he could make a categorical turn down on the question of U.K. participation since it would be impossible to equivocate on the question of whether it had been proposed. He would like to be able to state that for various good reasons ANZUS cannot be enlarged.

Ambassador Spender agreed that ANZUS was most effective as it is now and that, to the extent that it is enlarged, its effectiveness would be diminished.

Admiral Radford said he expected to visit Europe in the fall and would talk to the British Chiefs very frankly in an effort to gain their support. He believed that the First Lord of the Admiralty already accepted our position.

The Secretary said he was anxious not to do anything that would indicate any semblance of discord between the U.S. and U.K. It was not going to help U.S.-U.K. relations if the impression were created that the U.S. was the principal obstacle to U.K. admission, as sometimes suggested in England. The question of British participation was originally raised when we were thinking of a larger treaty group. The British were consulted and said that they would not want to be party to a treaty group of that size. This raised the question of French and Dutch participation which would have made of ANZUS a white NATO. Our own Joint Chiefs of Staff pointed out the difficulties of British inclusion, if this meant that we would have assumed responsibilities with respect to Hong Kong and Malaya. The British then suggested a series of separate bilateral treaties. It must be noted the entire Pacific security system was still in process of development. If we try to go too fast, we might lose all our present assets. British inclusion would be deeply resented by our Asiatic friends. Moreover, if it was desired to go down that path, we would be willing to attempt it, but it would be against our better judgment. Any attempt to enlarge ANZUS would end in its dissolution.

Ambassador Spender agreed with this analysis. He felt however that British political pressure would continue until it was met squarely and that the ANZUS Council must speak with one voice.

Mr. Casey said he had thought earlier it would be best not to make any public reference to the U.K. membership problem, but now felt that the Council as a whole should make a statement in the name of all three members.

Mr. Webb said that he had always taken pains to emphasize that ANZUS decisions are decisions of all three members. The press would ask if British membership had been proposed and he felt it would be better to face the issue and state what had been decided.

Training Programs

Mr. Casey again mentioned the training of foreign officers in Australia and told Admiral Radford of the many applications from over a dozen countries which Australia had received. He said that his Government was of a mind to accept the applications from friendly countries and asked for Admiral Radford's views on the subject.

Admiral Radford said that he certainly would urge that they be accepted since this was one of the most important aspects of our joint striving toward security in the area.

Communiqué

The Council agreed upon the text of a Communiqué summarizing the proceedings and conclusions of the meeting.[4] (The Communiqué, which was issued to the press immediately following this Session, will be found in the Agreed Record of Proceedings, Annex E.)

The fourth and last session of the Second ANZUS Council Meeting was adjourned at 6:15 p.m.

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[4] For text, see Department of State *Bulletin*, Sept. 28, 1953, p. 414.

790.5/11-253

Report by the Army Attaché in New Zealand (Hearne) to the Department of the Army [1]

CONFIDENTIAL [WELLINGTON, undated.]

RESULTS OF VISIT BY CHIEF OF IMPERIAL GENERAL STAFF TO AUSTRALIA AND NEW ZEALAND

Field Marshal Sir John Harding, Chief of the Imperial General Staff, returned to England last week after visiting Australia and New Zealand and conferring with the Chiefs of Staff of the Armed Services of those countries. (See R-248-53 and R-268-53, this office, for prior information on this subject.[2])

The principal talks were held, and decisions made, in Melbourne, and the visit to New Zealand was more in the nature of a courtesy call, although the Field Marshal did take advantage of the opportunity to confer privately with the Prime Minister and Cabinet while in Wellington.

Decisions reached at Melbourne were based on the general assumption of the existence of a state of general war, and no decisions were made or commitments pledged in the event of future piece-meal aggression of the Korea type and short of Russian overt belligerency. The decisions are as follows: (1) The New Zealand ground forces commitment remains unchanged, i.e., the Middle East; (2) the Royal New Zealand Air Force commitment is Malaya; (3) the Royal New Zealand Navy commitment is Australasian waters (no change); (4) the Australian ground forces commitment is now Malaya, whereas in the past the traditional theater has been the Middle East; (5) the Australian Air Force commitment is Malaya; and (6) the Australian Navy commitment is Australasian waters.

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[1] The Department of State copy of this report is an enclosure to despatch 230 from Wellington, Nov. 2.

[2] Neither printed.

No additional staff or liaison structure was planned (R-248-53 contains speculation that such might evolve), nor were any changes in unit organizational structure made.

While in Wellington Field Marshal Harding had a private discussion with the Prime Minister and Cabinet. He emphasized to them the importance of continuing preparedness, and in this connection he pointed out that men or units without sufficient or proper equipment cannot be considered as being prepared. He therefore suggested the advisability of re-evaluating some of the base troop units (heavy ordnance repair shops and the like) with a view towards eliminating any such units which might be found incapable of being properly equipped under present budget limitations.

My informant, who is a principal long-term planning officer of the Army General Staff, is of the opinion that the talks were beneficial, and that the Cabinet session was of considerable value in keeping the Government defense-conscious. On the other hand, he is also of the opinion that the basic assumption of general war was unrealistic, i.e., that discussions should have been held also with respect to conditions short of general war—that there may be a number of "Korean incidents" in South East Asia without involving overt Russian belligerency. He therefore is of the opinion that the Five Power Conference on Defense of South East Asia must continue its work, and that it will continue to be the most important conference, from the military viewpoint, in which New Zealand participates.

Editorial Note

Vice President Richard M. Nixon left Washington on October 7 for a visit to a number of countries in the Middle and Far East. He returned to the United States on December 14. For his televised address to the Nation, "Meeting the People of Asia", delivered December 23, see Department of State *Bulletin*, January 4, 1954, page 10.

Vice President Nixon gave a general report on his trip to the members of the National Security Council at the 177th Meeting, December 23, 1953. (Eisenhower Library, Eisenhower papers, Whitman file) In addition, he addressed certain officers of the Department on January 8, 1954. ("Vice President Nixon's Report to Department Officers on His Trip to the Near and Far East"; PPS files, lot 64 D 563, "Asia 1952-53") For an extract concerning Indochina from the latter report, see volume XIII, Part 1, page 929. Considerations of space prevent its being printed in full.

Further documentation concerning the Vice President's trip is printed in volume XV and in volume XI, Part 2, pages 1365 ff. and 1818 ff.

790.5/11-553: Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State [1]

SECRET LONDON, November 5, 1953—6 p.m.

1953. Following from Commonwealth Relations Office re Harding conversations in Australia and New Zealand.

Discussions conducted on thesis it in mutual interest have coordinated force in SEA in event war. Understood US as overwhelmingly major allied power, would play leading role in area. There was general review situation and refurnishing [*refurbishing*?] of existing defense arrangements in order ascertain whether everything "all buttoned up"—whether plans drawn up after World War II against possibility resurgent Japan are equally applicable against Communist China which now only conceivable aggressor. Agreement reached on military level but not yet on governmental level, although Australian and New Zealand Ministers present at conversations and gave informal concurrence to findings.

In reply to question, CRO stated conclusion reached at meeting that, until agreement reached at political level on desirability of link between ANZUS and ANZAM, it pointless attempt discussion this subject on military level. [2]

ALDRICH

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[1] Repeated for information to Canberra and Wellington.

[2] In despatch 150 from Canberra, Nov. 12, the Embassy stated that this conclusion was "in harmony with impressions and hints, including the slant taken by the press, that Field Marshal Sir John Harding did not feel his visit to Australia was markedly productive in a tangible fashion." The despatch includes also a report of the views of A. S. Watt, (permanent) Secretary of the Department of External Affairs. "His reaction was that if the Harding talks were expected by Sir Winston Churchill to solve the question of British participation in ANZUS, either by a linkage between ANZUS and ANZAM at the military planning level or otherwise, the talks could indeed be considered unfruitful. Conversely, if the talks were to be appraised in their contribution to pragmatic defense planning in the South Pacific, of which a great deal remained to be done, the Harding visit was quite successful and made a definite contribution." (790.5/11-1253)

FE files, lot 55 D 388

Senator William F. Knowland [1] *to the Secretary of State*

WASHINGTON, 16 November 1953.

DEAR MR. SECRETARY: During my recent trip to the Far East, which extended over a period of approximately six weeks, I was impressed with the fact that there was lack of coordination economically, politically, and militarily between the free understanding among these countries that any adverse development in one section of Asia was bound to have its repercussions in all other areas.

It is my very strong belief that the free nations of Asia will enthusiastically cooperate with the other free nations of the world, if it is made perfectly clear from the outset that they are to be treated as equal partners in the joint effort to maintain a free world of free men.

Whether all the nations of the world recognize it or not, I believe that the age of colonialism in Asia is dead and that no successful policy can be tied to colonialism in that area of the world.

Now that the election in the Philippines is out of the way, I believe there is a wonderful opportunity in the Far East for the initiative to be taken by the free nations of Asia. Too often the free world has waited to react to Communist moves. Here is a chance for some initiative to be taken under the leadership of Asians, with whom we and the other western nations could cooperate.

Mr. Magsaysay has just been elected President of the Philippines and takes office on January 1 [*December 30*]. The Philippine Republic has just gone through a great free election, recognized as such by all the people of the world. He is not encumbered by being a controversial figure in the sense as is President Rhee or President Chiang Kai-shek. On the other hand, the Philippine Republic is not a "neutralist nation". It participated with the other free nations of the world under the United Nations Charter in sending troops to resist the aggression in Korea.

It would seem to me that the President of the Philippines has a great opportunity to call a meeting of the free nations of Asia that are prepared to join in a system of collective security in the maintenance of the sovereignty of the free countries in that area of the world. This conference could be called at Manila and should, I believe, include the Republic of Korea, (which has the fifth largest standing army in the world), the Republic of China (which has the sixth largest standing army in the world), Thailand, the Republic of the Philippines, Viet Nam, Laos, and Cambodia (in the meantime, I would hope that the free nations of Asia which have not yet recognized their independence and sent ambassadors would forthwith proceed to do so) and such other nations as are willing to join in a collective security system. At the moment, presumably, India, Indonesia, and Burma intend to follow a neutralist policy. I do not believe that the free world or the part of the free world in Asia can sit back for one, two or three years, waiting for India to make up its mind.

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[1] Knowland was the Majority Leader of the Senate.

Any effective system of collective security in Asia will have to be broader than ANZUS for the Asian countries look upon this as a westernized approach to the problem. While it is true there cannot be an effective system of defense in the Far East without ANZUS, they cannot and should not carry the burden alone. In order to get away from the charge of colonialism or western imperialism, it is important that a leading part in such developments be taken by the free people of Asia themselves.

I hope that some steps along these lines may develop in the immediate future. I think that more than anything else, this might help to break the deadlock of the Korean political conference if the Communist world recognized that the free world was not going to sit back and merely react to future Communist aggression after the event.[2]

With best personal regards, I remain

Sincerely yours,

WILLIAM F. KNOWLAND

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[2] In a reply of Nov. 18, Dulles wrote: "I have received and have read very carefully your letter of Nov. 16. It followed very closely the lines of my own thinking. I had also discussed this approach with the President and he is sympathetic to it. I have just talked also to General Romulo. I hope that something concrete will come about." (FE files, lot 55 D 388)

790.5/1-2954

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[1]

TOP SECRET WASHINGTON, 4 December 1953.

Subject: Report of Operations of the Military Representatives of the Five Power Conference on Southeast Asia.

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[1] This memorandum is an enclosure to Vice Admiral Davis' letter of Jan. 29, 1954 to the Secretary of State. In his letter the Admiral mentioned that the Joint Chiefs of Staff had "not yet acted upon the report of the Staff Planners on the conference held 21 September to 2 October 1953 at Pearl Harbor." A marginal notation indicates that no copy of the latter report had been received in the Department of State as of Mar. 3, 1954 and no copy has been found in Department of State files.

1. Reference is made to the Report by Staff Planners to the Military Representatives of the Five Powers on the Conference held 15 June to 1 July 1953 [2] at Pearl Harbor, T.H. which was forwarded to you on 9 November 1953.

2. The action taken by the U.S. Joint Chiefs of Staff and their equivalents in the other countries involved is outlined in JCS 948473 of 18 September 1953 and JCS 950209 of 12 October 1953, copies of which were sent to you, and in CINCPAC letter, serial 000154, dated 22 October 1953, [3] appropriate portions of which are included in the summarization below. The actions of these agencies are summarized as follows:

a. *Australia:* The report has not been considered by the Australian Government. However, the Australian Defense Committee accepted the recommendations for planning purposes.

b. *France:* The French Chiefs of Staff Committee has presented the recommendations to the National Defense Committee, which has indicated a generally favorable reaction.

c. *New Zealand:* None of the recommendations affecting the individual courses of action are of direct and immediate application to New Zealand. New Zealand does not think it appropriate to express its approval to a course of action which requires no action by New Zealand. In such cases where action is not called for by all five nations collectively, New Zealand presumes that the nation or nations concerned would take such action under the aegis of the Five Power Military machinery at that stage.

d. *United Kingdom:* The British Defense Coordinating Committee has authorized approval of the recommendations with certain reservations as to: strengthening the defense of Hong Kong; furnishing one (1) infantry brigade to counter an internal threat to Thailand should one arise; and entering into planning for psychological warfare.

e. *United States:* The Joint Chiefs of Staff have approved the report for use as a general basis for further development of United States plans related to Southeast Asia, and have indicated reservations regarding U.S. planning for the defense of Hong Kong beyond assistance in evacuation.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

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[2] *Ante*, p. 319.

[3] None printed.

790.5/12-853: Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State [1]

SECRET LONDON, December 8, 1953—5 p. m.

2499. Embtel 1953 November 5.[2]

1. Commonwealth Relations Office is confidential source of following information on how Commonwealth plans are shaping up for defense of Far East.

(a) It is envisaged that, whenever it is possible to withdraw the Commonwealth division from Korea, a Commonwealth defense force comprising two Australian infantry battalions, with supporting Commonwealth air and naval units, will be permanently stationed in Singapore area. It is believed that such a force in being would be a major deterrent to further Communist aggression in Asia and that if aggression does occur it will be of immeasurable value to have a concentrated force ready for action on the briefest notice. In committing itself so strongly to the defense of Southeast Asia, Australia has made it known that Australian forces will no longer be made available for defense of Middle East. It is understood that this plan has the approval of the Chiefs of Staff of Australia, New Zealand, and the UK. It is planned that on the Prime Minister's return from Bermuda, the plan will be placed before the Cabinet here. Once the Cabinet has approved, the UK will officially inform the US.

(b) At some time in not too distant future UK hopes that five-power staff agency in Southeast Asia will develop into a political and military command structure along NATO lines for Southeast Asia. Value of the present agency is well understood, but it lacks political direction. There has been some pressure here for expedition of its development into a NATO format, but it has been deemed that from a political point of view time not yet ripe. It is being tentatively suggested that other SEA nations, e.g., Thailand and perhaps Philippines, might apply for membership in such an organization their qualifications being, *inter alia*, willingness resist aggression and ability supply competent forces in event emergency.

2. UKG assumes that sooner or later US may wish to give its blessing to establishment of closer defense relationship between armed forces of South Korea, Formosa, and Japan under American leadership. Because of obvious political difficulties involved, no thought would be given by Commonwealth in normal circumstances to integration these forces with those mentioned in paragraph 1 (b) above. In event further Communist aggression in Asia, however, Commonwealth would be less inclined look askance at un-

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[1] Repeated for information to Paris. Repeated to Canberra and Wellington by airgram on Dec. 9.

[2] *Ante*, p. 353.

desirable political bedfellows and would welcome assistance from whatever source.

Embassy comment: Information on which immediately preceding paragraph is based is less firm than that contained in paragraph 1, but hints that thinking along these lines is relatively far advanced have been received over a period of months from diverse sources, including Foreign Office, Commonwealth Relations Office, and Australia House. Some reference to the above plans may have already been made by UK representatives at Bermuda (Embtel 2296 November 27).[3]

Department may wish inform interested offices.[4]

ALDRICH

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[3] Not printed.

[4] In telegram 3198 from London, Jan. 27, the Embassy reported learning from the Commonwealth Relations Office that the "British Cabinet members concerned have given approval to Harding program for new area responsibilities of Australia and New Zealand Armed Forces (Embassy despatch 2462, January 19) and Canberra and Wellington have been so informed." In despatch 2462, the Embassy commented as follows: "The implementation of this program involves the transfer from the United Kingdom to Australia of the primary responsibility for the defense of Commonwealth interests in Southeast Asia." (790.5/1-1954)

The Embassy also indicated in telegram 3198 that the United Kingdom anticipated an early favorable response from Australia and New Zealand. (790.5/1-2754)

S/S-NSC files, lot 63 D 351, NSC 177 and 5404 Series

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State

TOP SECRET WASHINGTON, January 6, 1954.

Subject: NSC 177, "US Objectives and Courses of Action with Respect to Southeast Asia" [1] to be considered at NSC Meeting January 8, 1954.

Summary

This paper applies to the mainland countries of Southeast Asia, i.e., Indochina, Burma, Thailand and Malaya. It endorses existing policies and programs both under present conditions and in the event of overt aggression from Communist China (Annex A [2] quotes warnings issued regarding this eventuality). The successful defense of Tonkin is stated to be the keystone of the defense of mainland Southeast Asia.

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[1] Dated Dec. 30, 1953, not printed. (S/S-NSC files, lot 63 D 351, NSC 177 Series) With the exception of the changes noted in footnotes 4 and 5 below, NSC 177 is identical to NSC 5405 of Jan. 16, p. 366. (In 1954, a new numbering system was adopted for NSC papers, in which the first two digits denote the year in which it was drafted, and the second two, the order in which it was dated in that year's group of papers.)

[2] Identical to Annex A of NSC 5405, which is printed with that paper.

With respect to Indochina, the paper advocates full support of the Laniel–Navarre plan [3] and maximum efforts to persuade the French not to yield or to negotiate under conditions contrary to free world interests. If, however, negotiations are undertaken, the US should be consulted and should seek to influence their course. Proposed courses of action regarding Indochina are contained in paragraphs 21 through 30 of the paper.

Proposed courses of military action in the event of Chinese Communist intervention are set forth in paragraphs 31-c, 31-d and 32, with the risks and consequences of such courses of action described in paragraph 33.

The paper endorses existing programs and policies with respect to Burma, Malaya and Thailand except that, with respect to Thailand, there is a CIA proposal for the possible establishment of a defensive position in the Kra Isthmus if overt Chinese aggression against Thailand appears imminent. The paper contains a financial appendix with an estimate of expenditures (not appropriations) in connection with US courses of action in Southeast Asia by fiscal years from FY 1950 through FY 1956.

Recommendations

1. That you give State Department approval to the paper in its present form subject to certain minor qualifications:

(a) That on page 1 the last 6 words of paragraph 1 ("in Europe and North Africa") be omitted because the short term result of a French withdrawal from Indochina in any particular area may be debatable.[4]

(b) That the State position on paragraph 46 on page 19 (CIA's Kra Isthmus proposal) be dependent upon the views of Defense and JCS and, if those views are affirmative, that the word "preferably" in the third line be omitted since it is inconceivable that we would or could establish such a proposed defense position without the consent of Thailand and the collaboration at least of the UK.[5]

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[3] For documentation on this plan, see vol. XIII, Part 1, pp. 339 ff.

[4] In NSC 177, the last sentence of paragraph 1a reads as follows: "A defeat or an abandonment of the struggle by France would diminish France's value as a factor in free world defense [in Europe and North Africa.]" A footnote to this paragraph indicates that deletion of the portion in brackets had already been proposed by the Department of State member of the NSC's Planning Board. In NSC 5405, the entire sentence was deleted.

[5] Paragraph 46 of NSC 177 reads as follows:

"[If overt Chinese or other Communist major aggression against Thailand appears imminent, establish a defensive position in the Kra Isthmus, preferably with the consent of Thailand and in collaboration with the UK, Australia and New Zealand, (1) to prevent an over-running of Malaya and Indonesia, (2) to secure an area of Thailand as a seat of Thai rule in the event the rest of Thailand is overrun, (3) to

Continued

(c) That the NSC Secretariat be authorized to make further changes to smooth out the drafting of the paper and to take into consideration further comments on minor points.

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contribute to the over-all defense of Thailand.]" A footnote to this paragraph indicates that its deletion had been proposed by Defense and FCA members of the Planning Board and the JCS Adviser to it. In NSC 5405, paragraph 46 was deleted and subsequent paragraphs renumbered.

Editorial Note

NSC 177 was first discussed by the National Security Council at the meeting held January 8, 1954. The conversation on that occasion was devoted entirely to Indochinese questions. For the pertinent section of the memorandum of discussion, see volume XIII, Part 1, page 947.

S/S-NSC files, lot 63 D 351, NSC 177 and 5405 Series

Memorandum to the National Security Council by the Executive Secretary (Lay)

TOP SECRET WASHINGTON, January 12, 1954.

Subject: United States Objectives and Courses of Action with Respect to Southeast Asia

Reference: NSC 177

At the request of the Assistant Secretary of Defense (ISA) the enclosed views of the Joint Chiefs of Staff with respect to the reference report on the subject are transmitted herewith for the information of the National Security Council in connection with its consideration of NSC 177 at its meeting on Thursday, January 14, 1954.

JAMES S. LAY, JR.

[Enclosure]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)

TOP SECRET WASHINGTON, January 6, 1954.

Subject: NSC 177—United States Objectives and Courses of Action with Respect to Southeast Asia.

1. The Joint Chiefs of Staff submit herewith their views with respect to a draft statement of policy, prepared by the National Secu-

rity Council Planning Board titled "United States Objectives and Courses of Action with Respect to Southeast Asia" (NSC 177), which is intended, if adopted, to supersede those portions of NSC 124/2 [1] not previously superseded by NSC 171/1.[2]

2. The Joint Chiefs of Staff are in general agreement with the draft statement of policy contained in NSC 177. With respect to the two instances in which bracketed portions appear, the Joint Chiefs of Staff submit the following comments:

a. The inclusion or omission of the bracketed phrase appearing in subparagraph 1-a is considered to be of no real consequence. However, the Joint Chiefs of Staff suggest that the thought might better be expressed by amending the sentence as follows: ". . . in free world defense, in Europe and in North Africa as well as in the Far East."

b. The substance of the bracketed paragraph 46 is considered to deal with tactics of implementation rather than with basic policy. Moreover, it is questionable whether the proposed action would be effective in the attainment of over-all objectives with respect to Thailand. The Joint Chiefs of Staff therefore recommend that this paragraph not be included in the statement of policy.

3. Subject to the foregoing comments, the Joint Chiefs of Staff recommend that you concur in the adoption of the proposed statement of policy contained in NSC 177.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

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[1] Dated June 25, 1952, p. 125.

[2] NSC 171/1, a report entitled "U.S. Objectives and Courses of Action With Respect to Indonesia", Nov. 20, 1953, is scheduled for publication in Part 2.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 180th Meeting of the National Security Council Held on Thursday, January 14, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 180th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Acting Secretary of Defense; the Acting Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Acting Secretary of the Interior (for Item 1); the Secretary of Commerce (for Item 1); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 3); the Federal Civil Defense Administrator (for Item 3); the Under Secretary of State; the Service Secretaries and the Joint Chiefs of Staff (for Item 3); Col. Bonesteel, Mr. Lehrer and Col. Powell, Department of Defense (for Item 3); the Director of Central Intelligence; the Assistant to the President; Robert Cutler and C.D. Jackson, Special Assistants to the President; Richard L. Hall, NSC Special Staff; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Drafted by Gleason on Jan. 15.

Following is a summary of the discussion at the meeting and the chief points taken.

. . . .

4. United States Objectives and Courses of Action With Respect to Southeast Asia (NSC 177; NSC Action No. 1005;[2] Memo for NSC from Executive Secretary, same subject, dated January 12, 1954)[3]

Mr. Cutler referred to the action of the Council at last week's meeting, on NSC 177, called attention to the views of the Joint Chiefs of Staff which had been received since the last meeting, and pointed out that the Joint Chiefs had suggested language to cover the two splits which occurred in NSC 177.

With respect to the split on page 1 of NSC 177, which read "a defeat or an abandonment of the struggle by France would diminish France's value as a factor in free world defense [in Europe and in North Africa]",[4] Secretary Dulles said that he had a more drastic solution for the disagreement, namely, that the entire sentence, and not merely the bracketed phrase, should be deleted. There were some people who argued that France might be much stronger at home or in North Africa if it got out of French Indochina. The President indicated that the preceding sentence sufficed to cover the problem.

Secretary Dulles went on to argue that the proper focus of interest of the NSC was the effect of a French abandonment of the struggle in Indochina on U.S. security interests, and it was accordingly academic to get into an argument as to the effect of such abandonment on French security interests. After all, continued Secretary Dulles, the United States is not engaged in defending France's vital interests; and the vital interests of the United States, as the President had pointed out, were adequately covered by the previous sentence.

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[2] Included in the extracts from the memorandum of discussion at the NSC meeting held on Jan. 8, printed in vol. XIII, Part 1, p. 947.

[3] *Supra*.

[4] Brackets in the source text.

Mr. Cutler explained and defended the Planning Board's inclusion of this sentence, but the Secretary of State repeated his contention that it was beside the point to become involved in arguments as to the effect on France of a withdrawal from the struggle in Indochina.

Mr. Cutler observed that the Planning Board had gone down to defeat at the hands of the Council. He would accept the defeat, and turn to paragraph 46, where the next split occurred. This paragraph involved the proposal that if an invasion of Thailand by Communist China appeared imminent, among other things a defensive position should be established at the Kra Isthmus, etc., etc.

General Twining [5] pointed out that the Joint Chiefs of Staff objected to this paragraph because they believe that it involved not a policy decision but measures to execute policy.

The President inquired whether the paragraph meant that Thailand itself was abandoned in the contingency of overt Chinese Communist aggression, and Mr. Cutler explained that this was not the case, but that the position of the Kra Isthmus was simply a secondary line of defense. He observed, however, that since this was a military matter it was perhaps appropriate to follow the judgment of the Joint Chiefs of Staff.

The President expressed agreement with the view of the Joint Chiefs that this was really not a policy matter but involved measures for the defense of Malaya, which he believed that the British would attend to as a routine matter. He inquired whether the issue had been taken up in the Standing Group, and whether the British would defend Malaya to the bitter end in the event of attack. General Twining replied that to the best of his knowledge this was the British intention, and the President said that the paragraph could be deleted.

Mr. C. D. Jackson said that he had some concern with regard to the section on Thailand since, except for one paragraph, 44, the remaining courses of action were largely negative in character. Mr. Cutler called Mr. Jackson's attention to the general courses of action for the whole area of Southeast Asia, at the beginning of the report, paragraphs 11 to 20, and pointed out that these were positive in character and applied to Thailand as much as to any other of the nations of the area. Mr. Jackson expressed himself as satisfied.

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[5] Gen. Nathan F. Twining had succeeded Gen. Hoyt S. Vandenberg as Chief of Staff, U.S. Air Force, on June 30, 1953.

Secretary Humphrey then referred to paragraph 45, which indicated that in the event of a serious deterioration of the situation either in Burma or Indochina, the United States would take whatever measures which might be determined as feasible to forestall an invasion of Thailand or the seizure of power by local Thai Communists. Did the phrase "whatever measures", inquired Secretary Humphrey, include U.S. ground forces?

The President replied that he assumed that the word "feasible" took care of Secretary Humphrey's concern. He doubted very much whether we would ever consider putting in ground forces as a feasible course of action, but he would say, he continued, that if the situation in Thailand or Burma started to go to hell in a basket, and the introduction of some U.S. ground forces would save Malaya, we would certainly have to do it.

Mr. Cutler said that paragraph 45 did not contemplate the use of U.S. ground forces in Thailand, but that paragraph 49, involving Malaya, did contemplate this possibility.

After some further discussion on this matter, the Secretary of State requested the Council's permission to make some observations. He then said that despite everything that we do there remained a possibility that the French position in Indochina would collapse. If this happened and the French were thrown out, it would, of course, become the responsibility of the victorious Vietminh to set up a government and maintain order in Indochina. In his opinion, said Secretary Dulles, he did not believe that in this contingency this country would simply say "Too bad; we're licked and that's the end of it." If we could carry on effective guerrilla operations against this new Vietminh government we should be able to make as much trouble for this government as they had made for our side and against the legitimate governments of the Associated States in recent years. Moreover, the costs would be relatively low. Accordingly, an opportunity will be open to us in Southeast Asia even if the French are finally defeated by the Communists. We can raise hell and the Communists will find it just as expensive to resist as we are now finding it. Secretary Dulles recommended that a lot more thought be given to this opportunity instead of wasting time in worrying too much about what we should do if the French were defeated in Indochina or abandoned it.

Mr. Allen Dulles said that the CIA was already working on such plans as these and, indeed, had just sent out one of its best men to survey the possibilities on the spot.

The President observed that he wished we could have done something like this after the victory of the Communists in China. Secretary Dulles answered that of course it was a grave mistake to have allowed the Communists the opportunity to consolidate their position in China. If we had made our plans in advance we might well have succeeded in keeping Communist China in a turmoil. In any event, the possibilities should be kept in mind for Indochina.

Mr. Cutler reminded the Council that the reason that no such suggestions had been made in this paper was the feeling of the Council and the Planning Board that NSC 177 should not even mention the possibility of a French abandonment of their responsibilities in Indochina.

The Vice President commented that while Secretary Dulles' idea had merit, he was not clear as to where we would find the guerrillas. He predicted that the Vietnamese would not like this role. He also added the thought that the departure of the French from Indochina might provide just what was lacking to the Vietnamese by way of the will to fight. They might therefore allow us to come in and build up their native forces and in general do for them what the French had thus far failed to do. The Vice President cautioned that this did not mean the introduction of U.S. combat forces.

The President also expressed approval of Secretary Dulles' idea, and pointed out, apropos of it, the very great role which the Russians had informed him was played by their own guerrillas in defeating the Germans in World War II.

The National Security Council: [6]

a. Adopted the statement of policy contained in NSC 177, subject to the following changes:

(1) Delete the last sentence of paragraph 1-a.

(2) Delete paragraph 46, and renumber succeeding paragraphs.

b. Agreed that the Director of Central Intelligence, in collaboration with other appropriate departments and agencies, should develop plans, as suggested by the Secretary of State, for certain contingencies in Indochina.

Note: NSC 177, as amended, subsequently approved by the President, circulated as NSC 5405,[7] and referred to the Operations Coordinating Board as the coordinating agency designated by the President. The Action in b above subsequently transmitted to the Director of Central Intelligence for implementation.

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S. EVERETT GLEASON

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[6] The two lettered paragraphs that follow constitute NSC Action No. 1011. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

[7] *Infra.*

S/S-NSC files, lot 63 D 351, NSC 5405 Series

Report to the National Security Council by the Executive Secretary (Lay)

TOP SECRET [WASHINGTON,] January 16, 1954.
NSC 5405

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO SOUTHEAST ASIA

References:

A. NSC 177

B. NSC Action Nos. 897,[1] 1005 [2] and 1011 [3]

C. Memo for NSC from Executive Secretary, same subject, dated January 12, 1954 [4]

D. NSC 124/2 [5]

E. NSC 171/1

F. NIE-63/1 [6] and SE-53 [7]

The National Security Council, the Secretary of the Treasury and the Director, Bureau of the Budget, at the 180th Council meeting on January 14, 1954 adopted the statement of policy contained in NSC 177, subject to the deletion of the last sentence of paragraph 1-a thereof and to the deletion of paragraph 46 (NSC Action No. 1011-a).

In connection with this action the Council also agreed that the Director of Central Intelligence, in collaboration with other appropriate departments and agencies, should develop plans, as suggested by the Secretary of State, for certain contingencies in Indochina.

The Council at its meeting on January 8, 1954, in connection with its preliminary consideration of NSC 177 also (NSC Action No. 1005-c and d):

a. Agreed that Lieutenant General John Wilson O'Daniel should be stationed continuously in Indochina, under appropriate liaison arrangements and with sufficient authority to expedite the flexible provision of U.S. assistance to the French Union forces.

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[1] Dated Sept. 9, 1953; see vol. XIII, Part 1, p. 787.

[2] For text, see *ibid.*, p. 951.

[3] See footnote 6, *supra.*

[4] *Ante*, p. 360.

[5] Dated June 25, 1952, p. 125.

[6] NIE-63/1, "Probable Short-Term Developments in French Policy", was approved Nov. 24, 1953 and published Dec. 1, 1953. For portions of this paper, see volume VI and vol. XIII, Part 1, p. 894.

[7] For SE-53, "Probable Communist Reactions to Certain Possible US Courses of Action in Indochina through 1954," approved Dec. 15, 1953, and published Dec. 18, 1953, see *ibid.*, p. 924.

b. Requested the Department of Defense, in collaboration with the Central Intelligence Agency, urgently to study and report to the Council all feasible further steps, short of the overt use of U.S. forces in combat, which the United States might take to assist in achieving the success of the "Laniel-Navarre Plan."

The President has this date approved the statement of policy contained in NSC 177, as amended and adopted by the Council and enclosed herewith as NSC 5405; directs its implementation by all appropriate executive departments and agencies of the U.S. Government; and designates the Operations Coordinating Board as the coordinating agency. A financial appendix is enclosed for Council information.

Accordingly those portions of NSC 124/2 not previously superseded by NSC 171/1 are superseded by the enclosed statement of policy. The enclosure does not supersede the current NSC policy on Indonesia contained in NSC 171/1.

JAMES S. LAY, JR.

[Enclosure]

[Here follows a table of contents.]

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO SOUTHEAST ASIA*

I. GENERAL CONSIDERATIONS

1. Communist domination, by whatever means, of all Southeast Asia would seriously endanger in the short term, and critically endanger in the longer term, United States security interests.

a. In the conflict in Indochina, the Communist and non-Communist worlds clearly confront one another on the field of battle. The loss of the struggle in Indochina, in addition to its impact in Southeast Asia and in South Asia, would therefore have the most serious repercussions on U.S. and free world interests in Europe and elsewhere.

b. Such is the interrelation of the countries of the area that effective counteraction would be immediately necessary to prevent the loss of any single country from leading to submission to or an alignment with communism by the remaining countries of Southeast Asia and Indonesia. Furthermore, in the event all of Southeast Asia falls under communism, an alignment with communism of India, and in the longer term, of the Middle East (with the probable exceptions of at least Pakistan and Turkey) could follow progressively. Such widespread alignment would seriously endanger the stability and security of Europe.

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*Southeast Asia is used herein to mean the area embracing Burma, Thailand, Indochina and Malaya. Indonesia is the subject of a separate paper (NSC 171/1). [Footnote in the source text.]

c. Communist control of all of Southeast Asia and Indonesia would threaten the U.S. position in the Pacific offshore island chain and would seriously jeopardize fundamental U.S. security interests in the Far East.

d. The loss of Southeast Asia would have serious economic consequences for many nations of the free world and conversely would add significant resources to the Soviet bloc. Southeast Asia, especially Malaya and Indonesia, is the principal world source of natural rubber and tin, and a producer of petroleum and other strategically important commodities. The rice exports of Burma, Indochina and Thailand are critically important to Malaya, Ceylon and Hong Kong and are of considerable significance to Japan and India, all important areas of free Asia. Furthermore, this area has an important potential as a market for the industrialized countries of the free world.

e. The loss of Southeast Asia, especially of Malaya and Indonesia, could result in such economic and political pressures in Japan as to make it extremely difficult to prevent Japan's eventual accommodation to communism.

2. The danger of an overt military attack against Southeast Asia is inherent in the existence of a hostile and aggressive Communist China. The use of U.S. forces to oppose such an attack would require diversion of military strength from other areas, thus reducing our military capability in those areas, as well as over-all, with the recognized military risks involved therein, or an increase in our military forces in being, or both. Toward deterring such an attack, the U.S. Government has engaged in consultations with France and the United Kingdom on the desirability of issuing to Communist China a joint warning as to the consequences to Communist China of aggression in Southeast Asia. Although these consultations have not achieved a full measure of agreement a warning to Communist China has in fact been issued, particularly as to Indochina, in a number of public statements. (See Annex A for texts.) The U.S. has also participated with France, the United Kingdom, Australia, and New Zealand in military talks on measures which might be taken in the event of overt Chinese Communist aggression against Indochina.

3. However, overt Chinese Communist attack on any part of Southeast Asia is less probable than continued communist efforts to achieve domination through armed rebellion or subversion. By far the most urgent threat to Southeast Asia arises from the strong possibility that even without overt Chinese Communist intervention the situation in Indochina may deteriorate anew as a result of weakening of the resolve of France and the Associated States of Indochina to continue to oppose the Viet Minh rebellion, the mili-

tary strength of which is increased by virtue of aid furnished by the Chinese Communist and Soviet regimes. Barring overt Chinese Communist intervention or further serious deterioration in Indochina, the outlook in Burma, Thailand, and Malaya offers opportunities for some improvement in internal stability and in the control of indigenous communist forces.

4. The successful defense of Tonkin is the keystone of the defense of mainland Southeast Asia except possibly Malaya. In addition to the profound political and psychological factors involved, the retention of Tonkin in friendly hands cuts off the most feasible routes for any massive southward advance towards central and southern Indochina and Thailand. The execution of U.S. courses of action with respect to individual countries of the area may vary depending upon the route of communist advance into Southeast Asia.

5. Since 1951 the United States has greatly increased all forms of assistance to the French in Indochina, particularly military aid, and has consulted continuously with France with a view to assuring effective use of this aid. Partly as a result of these efforts, French resumption of the initiative under the "Laniel-Navarre Plan" has checked at least temporarily deterioration of the French will to continue the struggle. Concurrently the French have moved toward perfecting the independence of the Associated States within the French Union. In September 1953 the United States decided to extend an additional $385 million in aid, in return for a number of strong French assurances, including a commitment that the French would vigorously carry forward the "Laniel-Navarre Plan," with the object of eliminating regular enemy forces in Indochina, and on the understanding that if the "Laniel-Navarre Plan" were not executed, the United States would retain the right to terminate this additional assistance. (See NSC Action No. 897, Annex B.)[8]

6. The French objective in these efforts is to terminate the war as soon as possible so as to reduce the drain of the Indochina war on France and permit the maintenance of a position for France in the Far East. By a combination of military victories and political concessions to the Associated States, France hopes to strengthen these States to the point where they will be able to maintain themselves against Communist pressures with greatly reduced French aid. In the absence of a change in basic French attitudes, the Laniel-Navarre Plan may be the last French major offensive effort in Indochina. There is not in sight any desirable alternative to the success of a Franco-Vietnamese effort along the lines of the "Laniel-Navarre Plan."

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[8] Printed in vol. XIII, Part 1, p. 787.

7. Notwithstanding the commitment and intent of the Laniel Government to seek destruction of Viet Minh regular forces, a successor French Government might well accept an improvement in the military position short of this as a basis for serious negotiation within the next year. Political pressures in France prevent any French Government from rejecting the concept of negotiations. If the Laniel-Navarre Plan fails or appears doomed to failure, the French might seek to negotiate simply for the best possible terms, irrespective of whether these offered any assurance of preserving a non-Communist Indochina. With continued U.S. economic and material assistance, the Franco-Vietnamese forces are not in danger of being militarily defeated by the Viet Minh unless there is large-scale Chinese Communist intervention. In any event, apart from the possibility of bilateral negotiations with the Communists, the French will almost certainly continue to seek international discussion of the Indochina issue.

8. The Chinese Communists will almost certainly continue their present type of support for Viet Minh. They are unlikely to intervene with organized units even if the Viet Minh are threatened with defeat by the Franco-Vietnamese forces. In the event the United States participates in the fighting, there is a substantial risk that the Chinese Communists would intervene. The Communists may talk of peace negotiations for propaganda purposes and to divide the anti-Communists believing that any political negotiations and any settlement to which they would agree would increase their chances of eventually gaining control of Indochina.

9. Actions designed to achieve our objectives in Southeast Asia require sensitive selection and application, on the one hand to assure the optimum efficiency through coordination of measures for the general area, and on the other, to accommodate to the greatest practicable extent to the individual sensibilities of the several governments, social classes and minorities of the area.

II. OBJECTIVE

10. To prevent the countries of Southeast Asia from passing into the communist orbit; to persuade them that their best interests lie in greater cooperation and stronger affiliations with the rest of the free world; and to assist them to develop toward stable, free governments with the will and ability to resist communism from within and without and to contribute to the strengthening of the free world.

III. COURSES OF ACTION

A. Southeast Asia in General

11. Demonstrate to the indigenous governments that their best interests lie in greater cooperation and closer affiliation with the nations of the free world.

12. Continue present programs of limited economic and technical assistance designed to strengthen the indigenous non-communist governments of the area and expand such programs according to the calculated advantage of such aid to the U.S. world position.

13. Encourage the countries of Southeast Asia to cooperate with, and restore and expand their commerce with, each other and the rest of the free world, particularly Japan, and stimulate the flow of raw material resources of the area to the free world.

14. Continue to make clear, to the extent possible in agreement with other nations including France, the United Kingdom, Australia, and New Zealand, the grave consequences to Communist China of aggression against Southeast Asia and continue current military consultations to determine the military requirements for countering such Chinese Communist aggression.

15. Strengthen, as appropriate, covert operations designed to assist in the achievement of U.S. objectives in Southeast Asia.

16. Continue activities and operations designed to encourage the overseas Chinese communities in Southeast Asia: (a) to organize and activate anti-communist groups and activities within their own communities; (b) to resist the effects of parallel pro-communist groups and activities; (c) generally, to increase their orientation toward the free world; and, (d) consistent with their obligations and primary allegiance to their local governments, to extend sympathy and support to the Chinese National Government as a symbol of Chinese political resistance and as a link in the defense against communist expansion in Asia.

17. Take measures to promote the coordinated defense of Southeast Asia, recognizing that the initiative in regional defense measures must come from the governments of the area.

18. Encourage and support the spirit of resistance among the peoples of Southeast Asia to Chinese Communist aggression, to indigenous Communist insurrection, subversion, infiltration, political manipulations, and propaganda.

19. Strengthen propaganda and cultural activities, as appropriate, in relation to the area to foster increased alignment of the people with the free world.

20. Make clear to the American people the importance of Southeast Asia to the security of the United States so that they may be prepared for any of the courses of action proposed herein.

B. Indochina

In the Absence of Chinese Communist Aggression

21. Without relieving France of its basic responsibility for the defense of the Associated States, expedite the provision of, and if necessary increase, aid to the French Union forces, under the terms of existing commitments, to assist them in:

a. An aggressive military, political and psychological program, including covert operations, to eliminate organized Viet Minh forces by mid-1955.

b. Developing indigenous armed forces, including independent logistical and administrative services, which will eventually be capable of maintaining internal security without assistance from French units.

Toward this end, exert all feasible influence to improve the military capabilities of the French Union-Associated States forces, including improved training of local forces, effective command and intelligence arrangements, and the reposing of increased responsibility on local military leaders.

22. Continue to assure France that: (1) the United States is aware that the French effort in Indochina is vital to the preservation of the French Union and of great strategic importance to the security of the free world; (2) the United States is fully aware of the sacrifices France is making; and (3) U.S. support will continue so long as France continues to carry out its primary responsibility in Indochina.

23. Encourage further steps by both France and the Associated States to produce a working relationship based on equal sovereignty within the general framework of the French Union. These steps should take into account France's primary responsibility for the defense of Indochina.

a. Support the development of more effective and stable governments in the Associated States, thus making possible the reduction of French participation in the affairs of the States.

b. Urge the French to organize their administration and representation in Indochina with a view to increasing the feeling of responsibility on the part of the Associated States.

c. Seek to persuade the Associated States that it is not in their best interest to undermine the French position by making untimely demands.

d. Cooperate with the French and the Associated States in publicizing progress toward achieving the foregoing policies.

24. Continue to promote international recognition and support for the Associated States.

25. Employ every feasible means to influence the French government and people against any conclusion of the struggle on terms

inconsistent with basic U.S. objectives. In doing so, the United States should make clear:

a. The effect on the position of France itself in North Africa, in Europe, and as a world power.

b. The free world stake in Indochina.

c. The impact of the loss of Indochina upon the over-all strategy of France's free world partners.

26. Reiterate to the French:

a. That in the absence of a marked improvement in the military situation there is no basis for negotiation with any prospect for acceptable terms.

b. That a nominally non-Communist coalition regime would eventually turn the country over to Ho Chi Minh [9] with no opportunity for the replacement of the French by the United States or the United Kingdom.

27. Flatly oppose any idea of a cease-fire as a preliminary to negotiations, because such a cease-fire would result in an irretrievable deterioration of the Franco-Vietnamese military position in Indochina.

28. If it appears necessary, insist that the French consult the Vietnamese and obtain their approval of all actions related to any response to Viet Minh offers to negotiate.

29. If the French actually enter into negotiations with the communists, insist that the United States be consulted and seek to influence the course of the negotiations.

30. In view of the possibility of large-scale Chinese Communist intervention, and in order that the United States may be prepared to take whatever action may be appropriate in such circumstances, continue to keep current the plans necessary to carry out the courses of action indicated in paragraphs 31 and 32 below. In addition, seek UK and French advance agreement in principle that a naval blockade of Communist China should be included in the courses of military action set forth in paragraph 31 below.

In the Event of Chinese Communist Intervention

31. If the United States, France and the Associated States determine that Chinese Communist forces (including volunteers) have overtly intervened in Indochina, or are covertly participating so as to jeopardize holding the Tonkin delta area, the United States (following consultation with France, the Associated States, the UK, Australia, and New Zealand) should take the following measures to assist French Union forces to repel the aggression, to hold Indochina and to restore its security and peace:

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[9] President of the Democratic Republic of Vietnam.

a. Support a request by France or the Associated States that the United Nations take immediate actions, including a resolution that Communist China had committed an aggression and a recommendation that member states take whatever action may be necessary, without geographic limitation, to assist France and the Associated States to meet such aggression.

b. Whether or not the United Nations so acts, seek the maximum international support for participation in military courses of action required by the situation.

c. Carry out the following minimum courses of military action, either under UN auspices or as part of a joint effort with France, the UK, and any other friendly governments:

(1) Provide, as may be practicable, air and naval assistance for a resolute defense of Indochina itself; calling upon France and the Associated States to provide ground forces.

(2) Provide the major forces to interdict Chinese Communist communication lines, including those in China; calling upon the UK and France to provide token forces and such other assistance as is normal among allies.

(3) Provide logistical support to other participating nations as may be necessary.

d. Take the following additional actions, if appropriate to the situation:

(1) If agreed pursuant to paragraph 30 above, establish jointly with the UK and France a naval blockade of Communist China.

(2) Intensify covert operations to aid guerrilla forces against Communist China and to interfere with and disrupt Chinese Communist lines of communication.

(3) Utilize, as desirable and feasible, Chinese National forces in military operations in Southeast Asia, Korea, or China proper.

(4) Assist the British in Hong Kong, as desirable and feasible.

(5) Evacuate French Union civil and military personnel from the Tonkin delta, if required.

32. a. If, after taking the actions outlined in paragraph 31-c above, the United States, the UK and France determine jointly that expanded military action against Communist China is necessary, the United States, in conjunction with at least France and the UK, should take air and naval action against all suitable military targets in China which directly contribute to the war in Indochina, avoiding insofar as practicable targets near the USSR boundaries.

b. If the UK and France do not agree to such expanded military action, the United States should consider taking such action unilaterally.

33. If action is taken under paragraph 32, the United States should recognize that it may become involved in an all-out war with Communist China, and possibly with the USSR and the rest of the Soviet bloc, and should therefore proceed to take large-scale mobilization measures.

C. Burma

34. Encourage the Burmese Government to cooperate with the anti-Communist nations.

35. Implement promptly and effectively the recent agreement to furnish Burma with military equipment and supplies on a reimbursable basis.

36. Be prepared to resume economic and technical assistance to Burma if requested by Burma.

37. Continue to demonstrate U.S. interest in a solution of the problem of the Chinese Nationalist irregular troops in Burma, and be prepared to provide limited logistic support for the evacuation of these troops.

38. a. Exchange views with the U.K. regarding policy for Burma, avoiding indications of any desire to supplant the British, but making clear that it is undesirable for the British to maintain a monopoly over military assistance to Burma.

b. Urge the British to expand their military mission, insofar as possible, to meet Burmese requirements.

39. Attempt to arouse the Burmese to the dangers of Chinese Communist expansion and to the need for effective military defense against it, including coordinated military action with other Southeast Asian countries.

40. a. Develop united action and cooperation among indigenous, anti-communist groups in Burma to resist communist encroachments.

b. Make suitable preparations for the establishment of guerrilla forces among suitable ethnic groups for possible use against the Communists; recognizing the limitations involved in making such preparations, because (so long as the Burmese Government remains non-communist) a major consideration should be to take no action that would involve serious risk of alienating that Government.

41. If there is a large-scale attempt by local communists to seize power in Burma, activate to the extent practicable the guerrilla forces referred to in paragraph 40 above.

42. In the event of overt Chinese Communist aggression against Burma:

a. Support an appeal to the UN by the Burmese Government.

b. Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

c. Employ as desirable and feasible anti-Communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

43. If, in spite of the preceding courses of action, communist control of all or a substantial part of Burma becomes inevitable, support any trustworthy elements capable of continued resistance to communism.

D. Thailand

44. Continue to assist the Government of Thailand in creating conditions of internal security, in becoming a stabilizing force in Southeast Asia, in better withstanding communist pressures in the area, and in maintaining its alignment with the free world; and, as appropriate to support these ends, conduct military, economic and technical assistance programs, and strengthen cultural and propaganda programs and covert operations.

45. If a serious deterioration of the situation in either Indochina or Burma appears imminent, take whatever measures, including increased aid to Thailand, may be determined as feasible to forestall an invasion of Thailand or a seizure of power by local Thai Communists.

46. In the event of overt Chinese or other Communist major aggression against Thailand:

a. Support an appeal to the UN by the Thai Government.

b. Consistent with world-wide U.S. commitments take appropriate military action against Communist China as part of a UN collective action or in conjunction with France and the United Kingdom and any other friendly governments.

c. Employ as desirable and feasible anti-communist Chinese forces, including Chinese Nationalist forces, in military operations in Southeast Asia, Korea, or China proper.

E. Malaya

47. Support the British in their measures to eradicate communist guerrilla forces and restore order.

48. In the event of overt Chinese Communist aggression against Malaya, in addition to the military action which would already have been taken against Communist China (see paras. 32, 42, 46), the United States should assist in the defense of Malaya, as appropriate, as part of a UN collective action or in conjunction with the United Kingdom and any other friendly governments.

Annex A

1. The Joint Communiqué issued on March 28, 1953, following talks between representatives of the United States and France in Washington,[10] contained the following:

> "Obviously any armistice which might be concluded in Korea by the United Nations would be entered into in the hope that it would be a step toward peace. It was the view of both Governments, however, that should the Chinese Communist regime take advantage of such an armistice to pursue aggressive war elsewhere in the Far East, such action would have the most serious consequences for the efforts to bring about peace in the world and would conflict directly with the understanding on which any armistice in Korea would rest."

2. On July 14, 1953, the Secretary of State and the Foreign Ministers of France and the United Kingdom issued a communiqué on the Far East at the close of their conversations in Washington.[11] The communiqué included the following:

> "They considered that, in existing circumstances and pending further consultation, the common policies of the three Powers towards Communist China should be maintained. They resolve that, if the Communist should renew their aggression in Korea after an armistice and again threaten the principles defended by the United Nations, their governments would as members of the United Nations again support the restoration of peace and security.
>
> "The Foreign Ministers were of the opinion that an armistice in Korea must not result in jeopardizing the restoration or the safeguarding of peace in any other part of Asia. They hope that any armistice accepted by the United Nations would be a step forward in the cause of peace everywhere, and in particular in the Far East."

3. In the special report to the Secretary General of the UN by the unified command on the armistice in Korea transmitted to the Secretary General on August 7, 1953,[12] the following paragraphs were included in the Foreword:

> "We declare again our faith in the principles and purposes of the United Nations, our consciousness of our continuing responsibilities in Korea, and our determination in good faith to seek a settlement of the Korean problem. We affirm, in the interests of world peace, that if there is a renewal of the armed attack, challenging

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[10] For the full text of the communiqué, see Department of State *Bulletin*, Apr. 6, 1953, p. 491.

[11] For the full text of the communiqué issued at the close of tripartite conversations held July 10–14, 1953, see *ibid.*, July 27, 1953, p. 104. At these conversations, the U.K. Delegation was headed by the Acting Foreign Secretary, Lord Salisbury. For documentation on these talks, see vol. v, Part 2, pp. 1582 ff.

[12] For the full text of this report, see Department of State *Bulletin*, Aug. 24, 1953, p. 246.

again the principles of the United Nations, we should again be united and prompt to resist. The consequences of such a breach of the armistice would be so grave that, in all probability, it would not be possible to confine hostilities within the frontiers of Korea.

"Finally, we are of the opinion that the armistice must not result in jeopardizing the restoration or the safeguarding of peace in any other part of Asia."

4. In a speech to the American Legion at St. Louis, Missouri, on September 2, 1953, the Secretary of State said:

"Communist China has been and now is training, equipping and supplying the Communist forces in Indochina. There is the risk that, as in Korea, Red China might send its own army into Indochina. The Chinese Communist regime should realize that such a second aggression could not occur without grave consequences which might not be confined to Indochina. I say this soberly in the interest of peace and in the hope of preventing another aggressor miscalculation." [13]

5. In a speech to the UNESCO National Commission at Minneapolis, Minn., on September 15, 1953, the Under Secretary of State said:

"But should the Chinese Communists reopen hostilities, renew their aggressive behavior—either in Korea or in Indochina—we would be confronted with a very different situation. We would be forced to the conclusion that the Peiping regime is bent on a reckless course of conquest. It would then be clear that Communist intent was to invest all Southeast Asia and by force of arms to subject the free peoples of that area to the tyranny of Red control. Our reaction would have to be adequate to meet such a grave situation." [14]

[Here follows Annex B, NSC Action No. 897, dated September 9, 1953. For text, see volume XIII, Part 1, page 787.]

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[13] For full text of the address, entitled "Korean Problems", see Department of State *Bulletin*, Sept. 14, 1953, p. 339.

[14] For full text of Smith's speech, "Building a Cooperative Peace", see *ibid.*, Oct. 5, 1953, p. 463.

Financial Appendix [15]

POLICY ALTERNATIVE: NO CHINESE COMMUNIST AGGRESSION

Estimated Expenditures in Connection With U.S. Courses of Action in Southeast Asia

(Millions of dollars)

	1	2	3	4	5	6	7
		MDAP and Common-use†	Financial Support through	Technical and Economic Assistance		Informa-tion	
	Total	Programs	France	Grant	Loan	Activities	Other‡
Indochina							
FY 1950–53	969.7	548	375	46	—	§.7	—
FY 1954	839.5	304	400–500	25	—	.5	—
FY 1955	1159.5	333	750–800	25	—	1.5	—
FY 1956	713.5	287	400–500	25	—	1.5	—
Burma							
FY 1950–53	18.6	2	—	16	—	§.6	—
FY 1954	4.5	‖	—	4	—	.5	¶
FY 1955	.5	—	—	—	—	.5	¶
FY 1956	.5	—	—	—	—	.5	—
Thailand							
FY 1950–53	102.7	88	—	13	1	§.7	—
FY 1954	49.5	42.5	—	**7	—	.5	—
FY 1955	53.0	46.0	—	7	—	1.0	—
FY 1956	52.0	45.0	—	**7	—	1.0	—

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[15] The Financial Appendix is marked "Confidential."

Policy Alternative: No Chinese Communist Aggression

Estimated Expenditures in Connection With U.S. Courses of Action in Southeast Asia

(Millions of dollars)

	1	2	3	4	5	6	7
		MDAP and Common-use† Programs	*Financial Support through France*	*Technical and Economic Assistance*		*Information Activities*	
	Total			*Grant*	*Loan*		*Other‡*
Malaya							
FY 1950–53	.7	—	—	—	—	§.7	—
FY 1954	.5	—	—	—	—	.5	—
FY 1955	.5	—	—	—	—	.5	—
FY 1956	.5	—	—	—	—	.5	—
Total							
FY 1950–53	1,092.7	639	375	75	1	§2.7	—
FY 1954	894.0	346	400–500	36	—	2.0	—
FY 1955	1,213.5	378	750–800	32	—	3.5	—
FY 1956	766.5	331	400–500	32	—	3.5	—

†Represents value of end-item shipments plus expenditures for packing, handling, crating and transportation, training and common-use items. [Footnote in the source text.]

‡Estimated costs of covert operations not available. [Footnote in the source text.]

§FY 1953 only. [Footnote in the source text.]

‖Less than $500 thousand. [Footnote in the source text.]

¶Estimated costs to the U.S. of evacuation of Chinese troops from Burma not available. [Footnote in the source text.]

**Additional expenditures of approximately $2.0 million in 1955 and $3.0 million in 1956 might be generated by a proposed road program currently under consideration. [Footnote in the source text.]

PERTINENT ASSUMPTIONS

Indochina

1. *MDAP and Common-use Programs* (Col. 2) expenditures assume (a) elimination of organized resistance by June 1955; (b) a period of pacification extending for approximately another year; (c) a continuance of U.S. assistance for the duration of the major military operations at approximately the same rate as in FY 1954.

2. *Financial Support through France* (Col. 3) expenditures for FY 1950–53 reflect staff estimates of amounts of aid to France which is attributable to Indochina.

3. *Economic Assistance* (Col. 4) includes no specific estimates for rehabilitation on the assumption that such costs could be offset against reduced military expenditures.

4. *Informational Activities* (Col. 5) are assumed to continue in FY 1956 at a relatively stable rate.

5. *Other* (see footnotes ‡ and § to table).

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 181st Meeting of the National Security Council Held on Thursday, January 21, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 181st Meeting of the National Security Council were the President of the United States, presiding; the Secretary of State; the Acting Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. The Vice President did not attend the meeting because of his absence from the city. Also present were the Secretary of the Treasury; the Attorney General (for Item 6); Mr. Morrison for the Director, Bureau of the Budget; the U.S. Representative to the United Nations; the Under Secretary of State; the Acting Secretary of the Army and Adm. Duncan for the Secretary of the Navy (for Item 4); the Chairman, Joint Chiefs of Staff; Gen. Bolte for the Chief of Staff, U.S. Army, the Chief of Staff, U.S. Air Force, and the Commandant, U.S. Marine Corps (for Item 4); Judge Barnes, Assistant Attorney General, and Mr. Herbert Hoover, Jr., Department of State (for Item 6); the Director of Central Intelligence; the Assistant to the President; Robert Cutler and C.D. Jackson, Special Assistants to the President; the Deputy Assistant to the President;

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[1] Gleason drafted this memorandum on Jan. 22.

the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

4. *United States Objectives and Courses of Action With Respect to Southeast Asia* (NSC 5405;[2] NSC Actions Nos. 1005–d and 1011–b)[3]

At the beginning of the discussion of this item, Mr. Cutler pointed out that some confusion existed as to who was responsible for carrying out NSC Actions Nos. 1005–d and 1011–b. In the first instance, the Council decided to refer to the same high-level committee both the problem of further feasible steps to assist in achieving the objectives of the "Laniel–Navarre" Plan (NSC Action No. 1005–d) and the problem of longer-range plans for the contingency of a French defeat or abandonment of Indochina. (NSC Action No. 1011–b). Mr. Cutler then requested the Chairman of the Joint Chiefs of Staff to make his oral report on possible further measures to assist in achieving the success of the Laniel–Navarre Plan which had been worked out during the past week with the Director of Central Intelligence.

Before referring to his report, Admiral Radford said that he had a point which bore on the problem which he would like to present to the Council. He then said that some three years ago, when he was CINCPAC, he had been ordered to make contact with General DeLattre and to talk over with him plans to cover U.S. assistance in the evacuation of the French Union forces from the Tonkin delta in the event that they were forced to abandon this position. DeLattre had at that time observed that in his opinion it was preposterous to talk about an evacuation of French Union forces from Tonkin. Before they could ever get out, they and their Vietnamese friends would all have been massacred. Admiral Radford stated that General DeLattre's position was sound, and that there was very little point in talking about a French abandonment of Indochina.

With regard to the report on further measures to assist the Navarre Plan, Admiral Radford stated that the JCS paper had been written in collaboration with the CIA and had been very hurriedly formulated. If it were possible for the Council to extend the time, the contents of the report could be greatly improved. It was his understanding that Secretary Kyes[4] did not agree with all the measures suggested. Moreover, General O'Daniel would soon be in Indochina, and it would be very valuable to have a report at once from him on what further steps might usefully be taken.

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[2] *Supra.*

[3] See footnote 6, p. 365.

[4] Roger M. Kyes, Acting Secretary of Defense.

Admiral Radford pointed out that certain measures of further assistance are already in train. He felt that it was probable that we could mount a "Flying Tiger" operation, as discussed at last week's Council meeting, though this would be a very expensive undertaking. Also, Admiral Radford wanted to urge the French to step up their efforts in guerrilla warfare.

Finally, Admiral Radford said he wished to submit any report on further measures to assist the French, to the new high-level committee for its views prior to final Council action upon it.

Mr. Allen Dulles said that he understood that the new high-level committee had been set up to deal with the problems of Southeast Asia as a whole. He greatly regretted the possibility that steps which needed to be taken promptly with specific regard to Indochina should necessarily be held up while the new committee deliberated on the whole Southeast Asia area. He reported that the CIA had a team all ready to go out to Indochina and tackle the guerrilla warfare problem . . . .

Mr. Cutler said that he did not understand that there was any need for delay, and the President said he did not want any delay, indicating that he was anxious that the new high-level committee convene at once in order to figure out additional measures to assist the French. Above all, Indochina, the President insisted, must not be allowed to go by default.

Mr. Cutler pointed out that there was no need for the new high-level committee to report its findings to the Council, since it would be concerned with operational questions rather than policy guidance. Accordingly, the committee could proceed to carry out its own agreed additional measures.

Admiral Radford stated that so far as psychological measures and unconventional warfare were concerned, he would be glad to have the Director of Central Intelligence proceed with his plans . . . . What concerned him most, continued Admiral Radford, was just how much time we have. He was inclined to feel that the press had exaggerated the emergency in French Indochina, and that things were not as bad as they were represented. He proposed to have General O'Daniel report on this question just as soon as feasible.

Mr. Allen Dulles reminded the members of the Council that psychological operations and the training of guerrillas were long-term operations which required lengthy advance preparation.

Secretary Smith then referred to Premier Laniel's letter to the President, which had just been received in the State Department, and which requested 35 additional B-26 planes, the continued loan of the C–119 planes, and some 400 repair and maintenance personnel, all to be delivered prior to March 1. Secretary Smith noted that a reply to this letter would have to be prepared promptly.[5]

The President, turning to General Twining, inquired whether it would cause much trouble to respond favorably to the French request. The President presumed that we could, without undue difficulty, find 400 maintenance personnel from our own Air Force.

General Twining and Admiral Radford pointed out, however, that we could not use personnel of our own Air Force, but would have to hire civilians, a process which might be difficult and time-consuming.

Secretary Smith also questioned the wisdom of substituting American personnel in NATO in order to relieve the French and permit them to send their own maintenance crews to Indochina. This course of action would require heavy pressure on the French by General Gruenther,[6] and might result in the grounding of a considerable number of French planes in Europe.

The President expressed his view that we should at least provide the French with some supervisors, though not with the maintenance personnel. If we provided a group of 25 or 26 supervisors and gave the French 35 B–26 planes, the French ought to be able to dig up 400 additional mechanics.

In reply to the President's suggestion, Secretary Smith said that he and Admiral Radford would get together on a reply to Laniel on Saturday.

Admiral Radford indicated his desire to have a little more time to consider the whole matter of further measures to assist the French in securing the objectives of the Navarre Plan. Not least of these considerations, said Admiral Radford, was the possibility of getting a useful *quid pro quo* from the French in return for fulfilling this most recent request. The President said he was agreeable to this solution, but he wanted the planes made ready to go when the decision was made.

The President went on to criticize French military strategy in Indochina in view of the large number of battalions immobilized in the Tonkin delta at the moment that the French strongpoint at Dien Bien Phu was heavily invested by the Vietminh.

Mr. Allen Dulles heartily endorsed the idea of a *quid pro quo* from the French in return for the new equipment, ... The President expressed agreement with Mr. Dulles' point.

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[5] For text of Laniel's letter, see telegram 2668 from Paris, Jan. 19, vol. XIII, Part 1, p. 983.

[6] Gen. Alfred M. Gruenther, USA, Supreme Allied Commander, Europe, and Commander in Chief, U.S. European Command, since July 11, 1953.

The National Security Council: [7]

Noted that the President had directed a Special Committee, consisting of the Under Secretary of State, the Deputy Secretary of Defense, the Chairman, Joint Chiefs of Staff, and the Director of Central Intelligence:

> a. To determine urgently further feasible steps to assist in achieving the success of the "Laniel-Navarre" Plan in accordance with NSC 5405, including consideration of the report prepared by the Department of Defense in collaboration with the Central Intelligence Agency pursuant to NSC Action No. 1005-d. (The Committee will utilize the facilities of and report to the Operations Coordinating Board on this assignment.)
>
> b. To develop longer-range plans for possible future contingencies in Southeast Asia not covered by NSC 5405, including those suggested by the Secretary of State and previously assigned to the director of Central Intelligence by NSC Action No. 1011-b. (The Committee will utilize the facilities of the Operations Coordinating Board and report to the National Security Council on this assignment.)

Note: The above action subsequently transmitted [8] to the Under Secretary of State, the Deputy Secretary of Defense, the Chairman, Joint Chiefs of Staff, and the Director of Central Intelligence for appropriate implementation.

. . . .

S. EVERETT GLEASON

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[7] The following paragraph and its lettered subsections constitute NSC Action No. 1019. (S/S-NSC (Miscellaneous) files, lot 66 D 95)

[8] On Jan. 25.

Editorial Note

In the course of its 183d meeting held February 4, 1954, the National Security Council discussed issues relating to the Republic of China. At the end of this discussion the Council took Action No. 1029, of which subparagraph (b) reads: "Requested the Department of Defense to review and report to the Council on U.S. strategy for developing a position of military strength in the Far East." (S/S-NSC (Miscellaneous) files, lot 66 D 95)

There follows a passage from the memorandum of discussion at the meeting which is pertinent to NSC Action No. 1029-b:

> "With regard, however, to the specific recommendation for a review of Formosa policy and force levels, Secretary Wilson recommended that this review be expanded to include the whole Pacific area. There were many problems in connection with Japan and the Philippines, and we must decide just how much we wish to invest

in this area. Over the long haul, said Secretary Wilson, he didn't hold much with our policy toward Formosa.

"Secretary Humphrey said that he strongly supported Secretary Wilson's opinion, and as for himself, he simply did not understand the nature of U.S. objectives in the Far East." (Eisenhower Library, Eisenhower papers, Whitman file)

For more information on the discussion of the Republic of China at this meeting and on NSC Action No. 1029, see volume XIV.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 184th Meeting of the National Security Council Held on Thursday, February 11, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at this meeting of the Council were the President of the United States, presiding; the Acting Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. The Vice President did not attend the meeting. Also present were the Secretary of the Treasury; Mr. Warren Olney, 3rd, for the Attorney General (for Items 1 and 3); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1, 3 and 4); Mrs. Katherine G. Howard for the Federal Civil Defense Administrator (for Items 1 and 3); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; the Deputy Secretary of Defense; the General Services Administrator; General Willard S. Paul, Office of Defense Mobilization; Mr. A. Russell Ash, Office of Defense Mobilization; Mr. Harold L. Aitken, Federal Civil Defense Administration; the NSC Representative on Internal Security; Bryce Harlow, Administrative Assistant to the President; and the Acting Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the chief points taken.

. . . .

5. *United States Objectives and Courses of Action With Respect to Southeast Asia* (NSC Action No. 1019; [2] NSC 5405 [3])

Mr. Cutler summarized previous Council action on this problem, and called the Council's attention to General O'Daniel's recent report and to a variety of other intelligence, much of it conflicting, with respect to conditions in Indochina. He then called upon Secretary Smith to make his oral report.

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[1] Drafted on Feb. 12.

[2] See footnote 7, p. 385.

[3] Dated Jan. 16, p. 366.

Secretary Smith said that the problem that the Special Committee was dealing with had two phases. The first of these involved emergency assistance to the French, and Secretary Smith said he would call on Secretary Kyes to speak to this matter.

Secretary Kyes said that we had sent 200 airmen and a certain number of aircraft which the French had asked for on an emergency basis. Certain other French requests had been analyzed and found to be impractical. General O'Daniel had certain other suggestions which the Committee was in the process of scrutinizing.

There ensued a discussion of the CAT pilots. These were ready to go, said Mr. Dulles, but the French have not yet asked for them.

Admiral Radford commented in further detail on Secretary Kyes' remarks, and explained that we were sending the French 22 of the B–26 aircraft which they had requested, but that we have not yet acted on an additional 25 which the French hope to have. Admiral Radford also commented on the confusion which prevailed in the French request for additional assistance, especially as regards the number of maintenance personnel they needed for the American aircraft.

At the conclusion of this discussion, Secretary Smith turned to the second phase of the problem, namely, the political. He pointed out that the Soviets had been extremely active at the Foreign Ministers meeting in Berlin, and were doing their best to induce the French to give up the struggle in Indochina. It was, unhappily, clear that this was precisely what the French in Paris wanted to do. They were very much disappointed in the progress of the Navarre plan, and particularly depressed over the lack of response of the native population of Indochina to the hopes and promises which France had held out.

General Erskine,[4] continued Secretary Smith, had made certain recommendations on the so-called long-term problem—alternatives open to the United States in the event that the Navarre plan fails and the French give up. Secretary Smith said he would not go into detail at this point on these recommendations. He concluded by referring to the fact that Rene Pleven [5] was now in Indochina, and that Secretary Wilson had sent him a message inviting him to return to France by way of the United States. This move of Secretary Wilson's was the result of a conversation between Secretary Dulles and Bidault at Berlin.

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[4] Gen. Graves B. Erskine, USMC (ret.), Director of the Office of Special Operations, Department of Defense. For text of the report by the President's Special Committee on Indochina, of which General Erskine was chairman, see vol. XIII, Part 1, p. 1109.

[5] René Pleven, French Minister of National Defense.

The President commented on the extraordinary confusion in the reports which reached him from the area of Indochina. There were almost as many judgments as there were authors of messages. There were, nevertheless, only two critical factors in the situation. The first was to win over the Vietnamese population; the other to instill some spirit into the French.

Governor Stassen said that he desired to take issue with the prevailing pessimism, and stated that we were better off today in Indochina than we thought we would be a year ago. No real defeats had been endured by the French Union forces at the hands of the Viet Minh. Secretary Smith said that he perhaps would agree with Governor Stassen's judgment if it were confined strictly to the military situation. Governor Stassen went on to point out that our "funds situation" remains good, and that we were perfectly able to do what the French asked us to do without exceeding our budget. His advice, therefore, was to stick to our guns and try to see the thing through.

The President commented that the mood of discouragement came from the evident lack of a spiritual force among the French and the Vietnamese. This was a commodity which it was excessively difficult for one nation to supply to another.

Admiral Radford stated that he believed he could give some explanation of the differences in the reports which came, on the one hand, from our Service attachés and other semi-permanent personnel in Indochina, and on the other hand, from visitors like General O'Daniel. Our attachés tend to become frustrated as a result of continuously being on the scene. Moreover, they tend to look at a situation from a strictly Service point of view. It should also be remembered that General Trapnell had been captured at Bataan and had been a prisoner of war of the Japanese throughout the rest of World War II. Such an experience inevitably left its mark.

With respect to the efficiency of our military missions in Indochina, Secretary Smith commented that the Air Force had done by far the best job, the Navy had run a very poor second, and the Army was far behind the Navy.

Ambassador Lodge said that he had had a lot of experience in dealing with the French, and that if you get behind them and push hard enough they will do what is required.

The President observed that he had just about reached the conclusion that it was time for a change of Ambassadors in Indochina.

[Here follow two pages, missing from the source text, which apparently include the remainder of the discussion of Item 5. NSC Action No. 1036, taken at the meeting after discussion of Item 5, reads as follows: "Discussed the subject in the light of oral reports by the Acting Secretary of State and the Deputy Secretary of Defense, on behalf of the Special Committee referred to in NSC Action No. 1019, on further feasible steps to assist in achieving the success of the 'Laniel-Navarre' Plan in accordance with NSC 5405." (S/S-NSC (Miscellaneous) files, lot 66 D 95)]

. . . .

U/MSA files, lot 56 D 551, MSP Far East

Record of the Third Plenary Session of the Far East Regional Conference of the Foreign Operations Administration, Held at Manila, February 23, 1954, 8:30 a.m.–12:15 p.m.[1]

[Extract]

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Guidelines From the Director

Mr. Stassen presented the following tentative policy guidelines regarding industrial development and U.S. private investment. Some of them will have to be developed further in interagency consultations before becoming firm policy.

The U.S. objective is a strengthening of the economic foundation in this area and a gradual improvement in living conditions so that there may be political stability, orientation away from Soviet infiltration or undermining, and a healthy participation in a free world economy. It has been the U.S. conviction and experience that a real change in the standard of living is achieved when production and distribution are to a maximum extent in non-governmental hands.

A program of fostering industrial development banks should be contemplated, since there appears to be a strong overriding requirement of some kind of credit availability for industrial development in the area. This would depend on our getting Executive Branch agreement for such a program and on the countries' desire for such a program. Certain fundamental rules would, of course, be prerequisite to the furnishing of some amounts of U.S. capital to help the banks get started. We should try to get these banks into private rather than government hands. There might be an industrial development bank in each country in this area, with a group of country banks serviced by an area bank as we move into the regional approach.

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[1] This record is included in a document entitled "Far East Regional Conference", MISC/RA-24, issued by the Executive Secretariat of the Foreign Operations Administration on Mar. 6. This paper includes records of all the plenary sessions of this conference, which was held in Manila Feb. 22–26, 1954.

Such a program would take time, but the institutionalizing of local industrial credit is fundamental to the economic strengthening of this area without the requirement of large U.S. dollar grants.

Action: Mr. Stassen said we will set up an inter-departmental group in Washington to try to develop a pattern for this program.

An added attraction for indigenous private capital would be provided if the U.S. were to furnish a part of the industrial development bank capital and did not require early or high interest payments. There will be increased local investment if there is a trend toward local interest payment; and there will be a remarkable change in credit availability if capital is invested rather than buried or sent out of the country.

"*Pilot operations*" should be considered as part of our program because of their importance in pioneering and showing the way. There can be a significant psychological impact if we can show the way that competent people can produce and accomplish something.

The Missions should look for opportunities to include assistance in our program to industries that need help in getting started—particularly from the standpoint of importing machinery, etc.—to produce something that is of value to the country. Local private industries would pay their government and this money would go into the counterpart fund.

A program of encouraging foreign private investment in this area is faced with a rather broad-based fear of foreign economic domination. There is little chance of obtaining the agreement of these countries to broad statements of principles or to new laws to encourage private foreign investment and we would lose status with the governments if we pushed for such agreements. Within the framework of these attitudes, it is possible to obtain specific accomplishments by working out individual cases of sound foreign investments that want to come in with something the country wants produced. If such investments can be linked up with local capital in a sound way, it will be all to the good.

It is not U.S. Government policy to encourage U.S. private investment opportunities just for the sake of profitable investment. Any U.S. private investment which exploits certain resources in a country is obviously not desirable from the point of view of national policy, if it is accompanied by sub-standard wages, antagonistic attitudes, and a combination of practices that cause resentment toward the U.S. instead of friendship. The President has emphasized the importance of U.S. private investment, but at the same time has emphasized the social responsibility of capital. We are not working on the basis that all activities of U.S. private investors should be fostered and encouraged by our Missions, but only those activities which are of a constructive and fundamental nature.

On the question of nationalization and socialism, it is broad national policy to discourage nationalization. This has to be done very carefully and always involves a policy question where the Ambassador and the Department of State must, of necessity, take the lead. Certain possible steps we might take are: to encourage a government, informally, to put up for sale certain businesses which are operating at a loss under government control but are of a type that good, local private management might operate successfully; to foster the success, to the extent that we can, of properly conducted private business; to discourage governments from trying to take over their own private business sector; to develop some projects to break down retail distribution monopolies and thus contribute to improving living standards. A great part of the progress of countries with high standards of living is due not only to high productivity but to the concept of mass distribution on limited margin so that the people can claim many goods with their wages.

A clear guideline for the present: We should not permit our funds or our counterpart to finance a new governmental plant if it is the type which should be in private hands. That is a hard policy to apply at times; but to the extent that we use our counterpart or funds for governmental industrial development, it ought to be in those types of projects where it is not reasonable to expect private development within the country.

The code for U.S. long-term foreign private investment has to include considerable ploughing back of profits into the area of the overseas earnings. The hoped for situation is one in which the investors have the right to repatriate earnings but in fact choose to re-invest them in the country.

If the U.S. is to fulfill its creditor position in the free world and do it without large governmental grants, there must be a substantial annual flow of private capital overseas.

Mr. Stassen said it is his feeling that the Far East area, having now attained to a great degree the assurance of basic food supply in this area, and barring the outbreak of a new war, is ready for a decade of quite significant economic advance, particularly if Japan decides to play a constructive economic role in the area.

Mr. Wilsey [2] referred to Mr. Stassen's comment regarding the desirability of fostering investment banks. He asked what sort of contribution FOA might make to these banks. In the Philippines, counterpart arises out of Philippine Government appropriations and there is a shortage of counterpart. Therefore the normal means of contributing to the banks is very limited. Mr. Stassen said that this might require some different composition of imports. Conceivably the Mission might bring in a million dollars worth of machinery needed by certain private firms and the counterpart paid for that could become part of the capital of the industrial bank. Another possible source is the counterpart that can be developed through the sale of U.S. agricultural products.

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[2] H. Fred Wilsey, Program Officer of the FOA Mission in the Philippines.

Mr. McDiarmid [3] said the Mission has been trying to bring closer together the Philippine Government and the Ex-Im Bank or other U.S. lending institutions. However, apparently because of lack of close coordination between FOA/W and the Ex-Im Bank, there has been no satisfactory follow-up on loan proposals. He suggested that FOA/W either encourage lending institutions to send experienced men to the Philippines or give a greater delegation of responsibility to the Mission for the preparation of loan proposals. Mr. Stassen said that Mr. Buck is now following through on that situation with the Ex-Im Bank. The fact that the Ex-Im Bank has been going through a revision of its own lending policies may be the reason for the delay during this particular period, but

Action: Washington will endeavor to give more constructive follow-through service on these applications from the Missions.

Miss Granby [4] said there is another problem in connection with stimulating private investment. Very often a condition precedent to the stimulation is the development of public facilities, power, transportation, etc. There is no clear policy as to the extent to which we can help finance that type of development with grant funds, and the extent to which it can be financed with loan funds. The criteria for determining whether a particular project would be financiable with grant funds are not applicable across the board.

Action: Mr. Stassen said we will review this policy in FOA/W.

Mr. Stassen was asked whether he had in mind using existing credit facilities or establishing new credit institutions in direct competition with foreign and local bank institutions. He said it would depend upon the circumstances. To be really effective, it must be a private institution, not a governmental one.

Mr. Meek [5] asked whether we are in the economic development or the technical assistance business. In Indonesia the Mission has been furnishing foreign exchange for loans to small private industries. This is a capital investment which would be ruled out completely under a purely technical assistance philosophy. Mr. Stassen said that our objective is to establish conditions of economic strength, political stability and favorable orientation toward the non-Communist world. All our operations are tools, of which technical cooperation is an important one; but the Mission is not restricted to the technical assistance technique.

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[3] Orville McDiarmid, Assistant Director of Economic Policy of the FOA Mission in the Philippines.

[4] Helene Granby, Chief, Far East Program Planning Staff, FOA.

[5] Paul Meek, Program Officer of the FOA Mission in Indonesia.

The meeting recessed at 12:15 p.m.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 187th Meeting of the National Security Council Held on Thursday, March 4, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 187th NSC meeting: The President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; Mr. Morrison for the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Deputy Secretary of Defense; Robert R. Bowie, Department of State; Commissioner Campbell, AEC; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Mr. Cutler and Mr. Jackson, Special Assistants to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

5. *Report by the Director, Foreign Operations Administration* [2]

Governor Stassen, at the outset of his report, distributed a written outline of his remarks (copy filed in the Minutes of the meeting), and emphasized that he was not going to suggest mature conclusions, but merely ideas which he had picked up in the course of his journey and which might be of value to the Planning Board in its preparation of papers in the future.

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[1] Drafted by Gleason on Mar. 5.

[2] Stassen had left Washington, Feb. 12, for a tour of the Far East and had arrived back in Washington late in February after stops in Japan, Korea, the Republic of China, Indochina, and the Philippines. While in Manila, he had attended a regional conference with FOA Mission Chiefs in the East Asia-Pacific area. The conference was held Feb. 22-26 (Manila time); see *supra*.

Turning to Japan, Governor Stassen referred to anxiety expressed by the Council with regard to the Japanese economy. Actually, he thought, Japan was holding back until she could be assured of reparations settlements with her World War II enemies. We should accordingly urge these nations to reach reasonable settlements with Japan. After that, Governor Stassen predicted, Japan would rebound vigorously. Governor Stassen pointed out that Japan was on the verge of reviving an air force and an aircraft industry, and he thought it might be advantageous for the United States to tie in with this development instead of letting it grow independently of any U.S. guidance.

Turning to Formosa, Governor Stassen said that United States policy there must choose between three alternatives. *One,* to tell the Chinese Nationalists that they cannot go back to the mainland. *Two,* to tell them that we will try to build them up to a point where at some future date they could try to reconquer the mainland. *Three,* to tell them that if a real opportunity arises, such as the outbreak of war or revolution in Communist China, we would look favorably on an attempt to go back to the mainland. Of these three alternatives, Governor Stassen felt that the third was the best. If you tell the Nationalists that they can never go back, the morale and power of the Nationalist Government will inevitably deteriorate. If, on the other hand, you agree to some hypothetical date when they are going to make an attempt to regain control of mainland China, you set for the United States the very heavy task of building the Chinese Nationalists up to the level of power sufficient to enable them to achieve their objectives. But if you agree that they can go back in the event that a civil war in China, for instance, provides a reasonable opportunity, you provide a basis on which the United States can develop the level of forces and the kind of forces required to exploit such an opportunity. Governor Stassen then indicated the type of forces which would be required in such a contingency.

With regard to Indochina, Governor Stassen said that he returned with a strong feeling that the military situation in that area was a great deal better than we had imagined. Indeed, he had found the French actually hoping for a major enemy attack because they were so confident that they could crush it. Of course, it was extremely unfortunate that in the present kind of warfare so many French officers and non-coms were being killed, particularly by the savage mine warfare. He believed that the United States had available shoes which would prevent the maiming of soldiers as a result of the explosion of plastic mines which could not be detected.

Governor Stassen said that General Navarre continued to look forward to the opening of his big offensive on October 1. He did not feel, however, that he had on hand as yet all the supplies he needed to mount this offensive. These supplies would have to be on hand by August 1, and Governor Stassen felt that the United States had most of the needed items in supply in Japan and Okinawa. Accordingly, our logistical back-up of the Navarre offensive should be based on Japan and Okinawa rather than on the roundabout line from the United States itself.

Governor Stassen also found a need for a more adequate French military government organization to move in and accomplish the pacification of areas taken away from the enemy in the fighting.

Most significant of all, said Governor Stassen, was the recent conviction of the French that it was really possible to create an effective fighting force out of the Vietnamese natives. The French had now come to believe that their early failures to achieve this objective were chiefly to be explained by the premature use of the native battalions, and they were now being provided with more thorough training.

With respect to U.S. personnel, both military and civilian, Governor Stassen recommended that no individual stay longer there than a period of two years. This was a front line operation.

Of the Emperor Bao Dai, Governor Stassen said he received a very poor impression of an individual who was weak physically and lacking in courage. Nevertheless, his new government contained some very promising officials. Moreover, Governor Stassen thought highly of the King of Cambodia, and believed the situation in that state very hopeful.

Turning to the Philippines, Governor Stassen said that President Magsaysay impressed him most favorably, and he recommended that the United States give the new Philippine President all-out backing. In order to do this it was absolutely essential to defer the date for the imposition of tariffs on Philippine goods scheduled to begin next July 1. If this date could be deferred a year, sufficient time could be given for a complete renegotiation of the Philippine trade agreement.

Governor Stassen believed that things were coming along quite well in Korea. In particular, our Armed Forces Reconstruction Program for rebuilding roads, schools, and hospitals was doing nicely. On the other hand, more must be done to speed up the industrial development of South Korea. The bulk of Korea's industry had been located in North Korea, and this fact was one reason why so many South Koreans now feel that their country cannot survive without the complementary economy of North Korea.

With regard to Indonesia, Governor Stassen recommended that the United States support the build-up of the police force, which was not as yet Communist-dominated. With regard to the Indonesian economy, Governor Stassen said he had the feeling that it could be built up without resort to heavy expenditures by the United States provided a reparations settlement could be achieved and trade between Indonesia and Japan restored. Japan should have a prominent but not a dominant position in the economy of Indonesia. It was also desirable to secure British, French and Dutch cooperation to facilitate the revival and expansion of regional trade in this whole area.

With regard to the military posture which the United States should assume in the Far East, Governor Stassen recommended that we concentrate on becoming stronger in the air and on the sea. Not only should we develop the strength of our Air Force and Navy in the Far East, but we should demonstrate this strength by frequent showing of the flag in the waters and air space of the Far East. Governor Stassen pointed out that every one of the countries which he visited was eager to build up a jet air force. We might, he thought, consider giving to each of them a squadron or so of jet aircraft, largely for psychological purposes. Our real military strength in the Far East, however, must continue to be the U.S. Air Force and the U.S. Navy. The Asian nations should be urged to concentrate on the development of indigenous land forces. By and large, concluded Governor Stassen, if we continue to show determination, strength and stability (and this did not necessarily mean constant financial aid), he was sure that the Far Eastern area would move along the path we desired.

At the conclusion of Governor Stassen's report, the President referred to Governor Stassen's allusion to building up Japan as an industrial nation, as Germany was building itself up in Europe. He did not believe that such a build-up was possible if the present relationship between Japan and Communist China continued. Where was Japan to get the iron and coal which it had formerly got from Manchuria and North China?

Governor Stassen pointed out that there were deposits of coal in Korea, the Philippines and Australia, most of which had scarcely even been explored.

The President nevertheless remained convinced that the Japanese would have to get their coking coal from North China, and Secretary Humphrey said that certainly the basic difficulty was to determine where the Japanese were to secure the raw materials required to feed their industry.

After further discussion of the availability of markets and resources, Governor Stassen pointed out that many Japanese businessmen had expressed to him their fear of reviving the dependence on Manchurian coal and iron. Since these supplies could be cut off by the Chinese Communists without warning, these businessmen expressed a preference for trade connections in South Asia.

The National Security Council: [3]

Noted and discussed an oral report (based on a written report circulated at the meeting) by the Director, Foreign Operations Administration, on his recent trip to the Far East.

. . . .

S. EVERETT GLEASON

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[3] The paragraph that follows constitutes NSC Action No. 1053. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 188th Meeting of the National Security Council Held on Thursday, March 11, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 188th Meeting of the Council were: The President of the United States, presiding; the Vice President of the United States; the Acting Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Items 2, 3 and 4); the Secretary of Commerce (for Items 5, 6 and 7); Mr. Morrison for the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 2, 3 and 4); the Federal Civil Defense Administrator (for Items 2, 3 and 4); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Sherman Adams, the Assistant to the President; Robert Cutler and C. D. Jackson, Special Assistants to the President; Gen. Persons, Deputy Assistant to the President; Walter S. Delany and Kenneth R. Hansen, Foreign Operations Administration; Marshall Smith, Acting Assistant Secretary of Commerce for Internal Affairs; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Gleason drafted this memorandum on Mar. 12.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

9. *U.S. Psychological Strategy Based on Thailand* (Progress Report,[2] dated February 26, 1954, by the Operations Coordinating Board, on PSB D-23;[3] NSC 5405; NSC Actions Nos. 900[4] and 1019[5])

After Mr. Cutler had briefed the Council on this Progress Report, he asked Secretary Smith if he wished to comment at any length.

Secretary Smith said that he had several points he wished to make. The first referred to the splendid job which Ambassador Donovan was doing in Thailand. When he had been originally proposed as U.S. Ambassador, nearly everybody in the State Department opposed the nomination and feared the results. Actually, however, Ambassador Donovan had conducted himself perfectly, had done exactly what the State Department had asked him to do, and had made great progress in Thailand.

Beyond this, Secretary Smith pointed out that the Special Committee set up under NSC Action No. 1019 was in the process of developing a plan for defensive arrangements in Southeast Asia along the lines of the Turkish-Pakistani Pact. This plan involved Burma, Thailand, Laos, Cambodia, and such parts of Vietnam as could be saved from Communist control. When this plan had been completed it would be referred to the National Security Council for consideration as part of the planning under NSC Action No. 1019-b.

Secretary Smith then commented to the Council on the very great difficulties that the United States was bound to encounter when the Indochina question came up for discussion at the forthcoming Geneva Conference. We would be subjected to every kind of pressure to agree to some kind of compromise. It was accordingly necessary to work out carefully the U.S. position with regard to Indochina at the Geneva Conference. This likewise was being done by the Special Committee, which anticipated assistance from Ambassador Donovan when he returned to this country at the end of March.

Mr. Cutler then called on the Director of Central Intelligence to comment on the secret Annex to the Progress Report, which had been given very limited circulation. Mr. Dulles commented briefly on covert activities in this area.

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[2] Not printed.

[3] Not printed here. (790.5/9–1453)

[4] Taken at the NSC meeting held on Sept. 9, 1953; memorandum of discussion not printed here. (Eisenhower Library, Eisenhower papers, Whitman file)

[5] See footnote 7, p. 385.

The National Security Council: [6]

a. Noted the reference Progress Report on the subject by the Operations Coordinating Board.

b. Noted a further oral report on the subject by the Director of Central Intelligence.

c. Agreed, at the request of the Operations Coordinating Board, to rescind NSC Action No. 900 on the understanding that the OCB will coordinate implementation of PSB D-23 as an operational plan contributing to the implementation of NSC 5405.

d. Noted an oral report by the Acting Secretary of State that the Special Committee created by NSC Action No. 1019 is developing, and will consult with Ambassador Donovan on, plans for a possible defense arrangement on Southeast Asia as a part of its planning under NSC Action No. 1019-b; and will transmit its recommendations under NSC Action No. 1019-b to the Council, through the NSC Planning Board.

Note: The action in c above subsequently transmitted to the Operations Coordinating Board for appropriate implementation. The action in d above subsequently transmitted to the Secretary of State.

. . . .

S. EVERETT GLEASON

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[6] The lettered subparagraphs constitute NSC Action No. 1066.

Editorial Note

Part of NIE 10-2-54, "Communist Courses of Action in Asia Through Mid-1955", published March 15, 1954 is printed in volume XIV. (Files of the Bureau of Intelligence and Research)

Editorial Note

The NSC considered the Indochina situation at its meeting held on March 25, 1954. A section of the memorandum of discussion follows:

"After further discussion of the governments and nations who might be approached to assist the Associated States, the President said that he thought that such a grouping of nations would probably have to be confined to those nations in or near Southeast Asia itself. If an attempt were made to expand the number to include, for instance, Japan and Korea, we would run up against the hostility which exists between so many of the Asian nations. It would perhaps be better, therefore, to consider Australia, New Zealand, the Philippines, Formosa, the free nations of Southeast Asia, the

British, and the French. That was enough, wasn't it?" (Eisenhower Library, Eisenhower papers, Whitman file; memorandum drafted by Gleason on March 26.)

For full text of that part of the memorandum concerning Indochina, see volume XIII, Part 1, page 1163.

Editorial Note

In the course of his address of March 29, 1954, "The Threat of a Red Asia", Dulles stated:

> "Under the conditions of today, the imposition on Southeast Asia of the political system of Communist Russia and its Chinese Communist ally, by whatever means, would be a grave threat to the whole free community. The United States feels that that possibility should not be passively accepted but should be met by united action. This might involve serious risks. But these risks are far less than those that will face us a few years from now if we dare not be resolute today." (Department of State *Bulletin*, April 12, 1954, page 539)

Certain documentation relevant to the origin of the Southeast Asia Collective Defense Treaty, including records of many of the consultations held by the Secretary with representatives of concerned powers on the "United Action" proposal, is printed in volume XIII in order that the main line of United States policy regarding that area in the early spring of 1954 may not be obscured. Other such documentation appears in the compilation on the Indochinese phase of the Geneva Conference in volume XVI, pages 727 ff.

Emphasis is placed in the present compilation on those papers which bear primarily on the eventual membership, terms, and structure of the Treaty and of the Southeast Asia Treaty Organization, and only secondarily on the immediate situation in Indochina.

790.5/3-3154

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

SECRET [WASHINGTON,] March 31, 1954.

Subject: Possible Broadening of ANZUS

Participants: Mr. F. J. Blakeney, Minister, Australian Embassy
Mr. H. Raynor, Director, BNA

Mr. Blakeney called this afternoon at his request and stated that stories had appeared on the Australian radio and in the *London*

Daily Express to the effect that high-level consideration was now being given in Washington to broadening the ANZUS organization.

Mr. Blakeney said he was calling under instructions of his Government to inquire if this report was true and to request consultation on the matter should this be the case. In this connection he referred to the fact that on the question of U.K. participation the three partners in ANZUS had followed a unified and firm line. Should there be any plan to change the position on the U.K., the Australians, for obvious reasons, would not want to see a public lead on the matter come from the U.S. alone. He added that the whole question, of course, was especially delicate in Australia at this time (obviously a reference to the forthcoming general election in Australia in May). I said, referring to the Secretary's speech [1] in New York which referred to the question of possibly internationalizing in some way the situation in Indo-China, that I was sure that study and thought was being given to this general subject in Washington. I said, however, that insofar as I knew there was no reason to think that a broadening of ANZUS was being given any particular attention although obviously in any study such as [that?] which I mentioned it would no doubt be included as one of a number of possible alternative methods. I added that personally I would seriously question whether that alternative would be the answer particularly in the light of our understanding, that neither Australia nor New Zealand would want to see ANZUS broadened but would prefer, should other regional arrangements in the Pacific be determined to be feasible, to see them built up separately.

Mr. Blakeney indicated that while he had seen no recent Australian Government position on this matter that he personally felt that the interpretation I had given of the Australian position was probably correct.[2] Mr. Blakeney wondered if the arguments which in the past had always dictated against the establishment of a Pacific regional organization had now disappeared with the implication that he did not think they had evaporated. This observation was put in the form which did not seem to require a response on my part.

At the end of the conversation I reiterated to Mr. Blakeney that what I had told him at the beginning was correct insofar as I was informed but that it was, of course, a possibility that there was thinking or studies on the matter of which I was unaware.

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[1] See the editorial note, *supra*.

[2] In his memorandum of a conversation held Apr. 1 with George Laking, Minister at the Embassy of New Zealand, Raynor reported that he had learned from Laking that New Zealand's position on this question was similar to that of Australia. (790.5/4-154)

PPS files, lot 65 D 101, "Asia"

Memorandum of Conversation, by the Officer in Charge of Thai and Malayan Affairs (Landon)

SECRET [WASHINGTON,] April 5, 1954.

Subject: United Action in Southeast Asia.

Participants: The Secretary of State
His Excellency Pote Sarasin, Ambassador of Thailand
Kenneth P. Landon, PSA

The Thai Ambassador, Pote Sarasin, called at the invitation of the Secretary who referred to his recent speech in New York in which he had made the statement that the imposition on Southeast Asia of the political system of Communist Russia and its Chinese Communist ally, by whatever means, would be a grave threat to the whole free community and that this threat "should be met by united action."

The Secretary then outlined what he meant by united action. By "united" he meant that the nations in the area of Southeast Asia should unite and should be prepared to use whatever means available to prevent the imposition of Communism on Southeast Asia. He named particularly the three Associated States, Thailand, France, Great Britain, the Philippines, Australia and New Zealand. He added then that, although not in the area, the United States was actively interested and would contribute in an appropriate fashion. He commented that if nations in the area held back it would be difficult to persuade the American public to contribute.

By "action" the Secretary explained that he meant initially political action by the creation of a community of nations in the area who would make the political decision to act in whatever way they could unitedly against Communism. This might include military means or any other means. The Secretary then invited the Thai Ambassador to ask him any questions.

The Thai Ambassador asked whether this would involve military action primarily. The Secretary said that initially he visualized political agreement to act which might lead on and probably would lead on to the establishment of a military commission representing all of the nations, where they would be able to discuss what military means would be available from each nation according to its ability to oppose Communist aggression.

The Thai Ambassador asked whether the Secretary felt it essential to have this arrangement agreed upon before the Geneva Conference. The Secretary replied that he hoped there could be political decision and agreement before the Geneva Conference.

The Thai Ambassador then referred to the present status of the three Associated States and the attitude of France on this proposal. The Secretary replied that Thailand was one of the first nations to be approached on this question; that it was his belief, which he had expressed to the French Ambassador, that before the Geneva Conference, if possible, France should make a public declaration of the complete independence of the three Associated States in order that the Governments of those states and their people might feel that they had a real part to play in the situation and would be prepared to make every possible military contribution as well, having something to fight for. The Secretary added that his thinking on many practical aspects of the problems of united action was tentative at this time and that he hoped that after securing agreement in principle to the idea of united action among the free peoples in Southeast Asia they could then meet together and work out the practical details.

The Thai Ambassador asked for the Secretary's views regarding Thailand's place at the Geneva Conference in respect to the Indochina aspects of the conference, stating that his Government wished to be present at least in an observer status as they were deeply concerned with developments in Indochina. The Secretary replied that he most certainly desired to have a representative of Thailand available at the Geneva Conference for consultation inasmuch as Thailand was most directly concerned with any solution and that he agreed with the idea that Thailand should be present although he re-affirmed the fact that the details of the arrangement of the Indochina phase of the Geneva Conference were not yet settled but were under consideration. He added that France will formulate its ideas on the Indochina aspects of the conference beginning on April 12 at Paris. He said further that Thailand was less interested, in his view, in the Korean aspects of the conference except perhaps to be present as a matter of principle, but that it was directly concerned with the Indochina aspects of the conference as Indochina was in Thailand's back yard. He added again that whatever the status of Thailand's representative at the Geneva Conference he wanted to be sure to have the benefit of Thailand's advice at that conference. Just as he was departing the Thai Ambassador remarked that he believed his Government would be agreeable to this concept.

The Thai Ambassador made a final comment that in his view it would be a great mistake if France were to negotiate at Geneva with Ho Chi Minh because any decisions arrived at favorable to Ho Chi Minh would tend to make him a hero in Vietnam and would discount the Governments of the Associated States in the eyes of the Vietnamese people. Ho Chi Minh would then become the savior of their nation. He believed that any negotiations with Ho Chi Minh should be carried on by the Government of Vietnam.

751G.00/4-554

Memorandum of Conversation, by the Officer in Charge of Philippine Affairs (Bell)

SECRET [WASHINGTON,] April 5, 1954.

Subject: The Secretary's March 29th address and the Associated States of Indochina.

Participants: The Secretary
Mr. Emilio Abello, Chargé d'Affaires a.i. of the Philippine Embassy
Mr. James D. Bell, PSA

Mr. Emilio Abello, Chargé d'Affaires a.i. of the Philippine Embassy, called on the Secretary at 4:45 P.M., April 5, at the Secretary's request.

The Secretary told Mr. Abello that he wished to expand on the statements he made in his March 29 address with respect to Indochina. He pointed out the increasing significance of developments in Indochina, particularly the desperate attempt of the Viet Minh to gain a military victory for political reasons. He said that in view of the present circumstances he believed it would be desirable to form a loose coalition including the United States, France, the United Kingdom, the Associated States, Thailand, Australia, New Zealand, the Philippines, and possibly Indonesia. The Secretary pointed out that such a group presenting a united front in Southeast Asia would help to deter Communist aspirations in Asia. He also stated that it would be desirable if the French would proceed more rapidly in carrying out the July 3rd policy of independence for the Associated States and that the United States would support no policy that contributed to the maintenance of colonialism in Asia. Asked if he believed it desirable to form such a coalition prior to the Geneva Conference, the Secretary answered in the affirmative. In answer to another question from Mr. Abello, the Secretary said that he did not envision a permanent Pacific Pact type of alliance but that a beginning might be made through such a device as a joint declaration of purpose.

Mr. Abello stated he would obtain his Government's views on this proposal but pointed out that one obstacle might be that the Philippines do not recognize the Associated States.

751G.00/4-854

Memorandum of Conversation, by the Director of the Office of Philippine and Southeast Asian Affairs (Bonsal)

SECRET [WASHINGTON,] April 8, 1954.

Subject: United Action Concept for Southeast Asia

Participants: Mr. Moekarto Notowidigdo, Indonesian Ambassador
The Secretary
Mr. Bonsal

The Indonesian Ambassador came in at the Secretary's request. The Secretary recalled an earlier informal conversation which he had had with the Ambassador at a social function regarding the danger to Southeast Asia implicit in the Indochina situation. He told the Ambassador that the French had recently approached us with a request for increased and more direct participation in that struggle. The Secretary recalled the very extensive assistance which we have been rendering, assistance which is based upon our conviction that Communist domination of Southeast Asia must be prevented. The Secretary referred to his address of March 29 in this connection.

He then said that the US is disposed to consider a more direct participation in the Indochina situation provided two conditions are fulfilled. These are first, that there is formed a grouping of states interested in the preservation of Indochina from Communist domination and willing to present a united political and if necessary military front in this matter. Second, there must be definitive assurance of complete independence for the Associated States of Indochina including freedom for them to withdraw or not from the French Union in the exercise of their own complete sovereignty. The Secretary made it clear that he thought that the French Union offers a suitable framework for the advancing of the mutual interests of France and of the Associated States but that the association must be one of free and equal partners.

The Secretary stated that this general concept had already been discussed with the representatives of France, the UK, Thailand, Philippines, the Associated States, Australia and New Zealand and that he would be glad to have the reaction of the Indonesian Government.

The Ambassador replied that he would of course refer the matter to his government which would much appreciate being informed as to the thinking of the US Government in so important a matter. He gave it as his personal view that the Indonesian Government would find itself unable to take any position in this matter prior to the holding of national elections in Indonesia in February 1955. He stated that the Government was really too weak to express itself in a positive fashion. He expressed his own personal awareness of the importance of saving Indochina from Communist domination. He added that he was extremely pleased with what the Secretary had said regarding the independence of the Associated States. He said that if this question could be satisfactorily cleared up, there would be a much more complete understanding of what is at stake in Indochina and the rest of Southeast Asia.[1]

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[1] Dulles had a similar conversation concerning collective action in Southeast Asia, also on Apr. 8, with James Barrington, Ambassador of Burma. Bonsal's memorandum of that talk concludes as follows:

"Ambassador Barrington expressed appreciation for the information given him and said that he would at once convey it to his government. He did not anticipate that there would be any positive reaction from Rangoon. He expressed particular satisfaction at the Secretary's position regarding the independence of the Associated States and said that he felt that the definitive establishment of that independence would have an excellent effect on Asiatic public and official opinion toward the Indochina situation. He expressed some criticism of French Union military tactics in Indochina." (Secretary's Memoranda of Conversation, lot 64 D 199. Chronological collections of the Secretary of State's memoranda of conversation and the Under Secretary of State's memoranda of conversation for the years 1953–1960, as maintained by the Executive Secretariat of the Department of State.)

751G.00/4-954

Memorandum of Conversation, by the Deputy Director of the Office of Northeast Asian Affairs (McClurkin)

SECRET [WASHINGTON,] April 9, 1954.

Subject: Current Developments with respect to Indochina

Participants: His Excellency You Chan Yang, Ambassador of Korea
Mr. Philip Han, Counselor of Korean Embassy
Mr. Walter S. Roberston, Assistant Secretary, Far Eastern Affairs
Mr. Robert J.G. McClurkin, Deputy Director, Northeast Asian Affairs

Ambassador Yang came in at Mr. Robertson's request to discuss this subject.

Mr. Robertson said that the Secretary had asked him to tell Ambassador Yang and the Chinese Ambassador about the discussions which we have been having with other countries directly interested in the Indochina question. As President Eisenhower has publicly stated, to lose Indochina means to lose Southeast Asia, and the

Free World must not stand by and see that happen. The time has therefore come for the development of the willingness and the means for decisive and united action by all countries concerned, in the event that the Communists continue their aggression. The United States has therefore been talking with Thailand, the Philippines, Australia, New Zealand, France and the U.K. in an effort to organize a united front to include those governments and of course the Associated States. Some of the other governments seem to be worried over details which have not yet been worked out. The Secretary and Mr. Robertson are therefore flying to London and Paris on April 10 for top-level conversations to seek agreement in principle to the necessity of a united front against Communist aggression in Southeast Asia.

Ambassador Yang commented that he was sure his government would be willing to join in any united action, and that the offer of a division for the Indochina conflict was still good.[1] Mr. Robertson said that this willingness of the ROK is greatly appreciated, but he emphasized the undesirability of weakening the ROK position in Korea at this time since ROK strength there is tying down Communist forces, just as Chinese strength on Formosa is doing.[2]

Mr. Robertson concluded by saying that we plan to continue these conversations from time to time in order to keep the ROK informed as the situation develops.[3]

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[1] For documentation concerning this offer, see vol. XIII, Part 1, pp. 1012 ff.

[2] Telegram 806 to Seoul, Apr. 10, repeated for information to Tokyo, contains a résumé of this conversation and further instruction. The résumé reads in part:

"By united front we mean nations in Southeast Asia should unite and use whatever means available oppose communism. Initially action contemplated is political action create community nations which might resort military means or any other means oppose communism. One indispensable factor is assured independence Associated States. No present plans include ROK, Chinese Nationalists or Japan although recognize these developments of great interest to them.

"Foregoing for your information and use in confidential discussions President Rhee and other appropriate ROK officials." (751G.00/4-1054)

[3] In telegram 2254 to Tokyo, Apr. 10, the Department of State stated: "April 9 Department officer discussed Indochina developments with [Hiroto] Tanaka [First Secretary at the Japanese Embassy] at latter's request. In general followed same lines as utilized by Robertson in talking with Yang. Please discuss subject confidentially with Foreign Office giving also additional information contained reference Deptel." (751.G00/4-1054) The reference telegram is that quoted in footnote 2 above.

751G.00/4-954: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State

SECRET MANILA, April 9, 1954—2 p.m.

2241. Following is portion text coded telegram received via MacKay Radio by Magsaysay [1] from Romulo:

"Top secret and confidential:

"Admiral Radford asked me to convey to you as his personal request that the Philippines be the first government in Asia to come out openly in favor of united action in Indochina. He said that this would have a tremendous effect in the free world and he said that because of his friendship for you he is anxious that this be done at your earliest convenience. He also asked me to relay to you information that the situation in French Indochina is really dangerous and that unless the other countries in Southeast Asia come out openly together for united action, Communism will register an important victory in French Indochina that will endanger our national security. When I told him that I would telephone you he asked me not to do so because he said this information is absolutely top secret and there may be telephone leak and he wants this message for your eyes only.

"If you will allow me to make a suggestion this seems to me the most appropriate time for us to insist that whatever declaration of principles is approved regarding proposed united action that such declaration of principles should not only be for the present but also for the future. I mean it should be like Atlantic Charter declaration of principles wherein the United States and the other western powers agree to certain fundamental pronouncements insuring the freedom of the peoples of Asia and underscoring the end of [garble] there. I will wire you more [garble] on this tomorrow."

[Here follows discussion of other matters.]

Embassy would appreciate instructions matters embodied first and second paragraphs.

SPRUANCE

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[1] Ramon Magsaysay, President of the Philippines since Dec. 30, 1953, was also Secretary of Defense.

751G.00/4-954: Telegram

The Secretary of State to the Embassy in the Philippines [1]

SECRET
NIACT

WASHINGTON, April 9, 1954—7:22 p. m.

2589. For Ambassador from Secretary. Our 2577. [2] Thai Ambassador today informed me his Govt accepts invitation to join in arranging for a united front against Communist aggression in Southeast Asia, as I had earlier proposed.

This fact has been released to press. However, I would appreciate your taking early convenient opportunity to inform Philippine Govt and if you think advisable suggest tactfully that similar response from Philippine Govt would be appreciated. FYI it would be very helpful if this acceptance could be obtained while I am in London or Paris, where I am going tomorrow. [3] You would understand that present acceptance is only in principle, leaving details to be worked out. Also I have emphasized and will emphasize in Paris that the united front I plan would depend indispensably upon assured independence to Associated States. Of course, acceptance of US proposal would not imply any present recognition by Philippines of Associated States although this would ultimately have to be assumed, presumably under conditions quite acceptable to Philippines which would be created under our present plan.

DULLES

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[1] Drafted and approved for transmission by the Secretary personally.

[2] Not printed; it contains a résumé of the conversation summarized in Bell's memorandum of Apr. 5, p. 404.

[3] Dulles arrived in London on Apr. 11 and in Paris on Apr. 13. On Apr. 15, he returned to Washington. For the major documentation on his trip, see vol. XIII, Part 1, pp. 1307 ff.

751G.00/4-954

Memorandum of Conversation, by the Officer in Charge of India, Ceylon, and Nepal Affairs (Williams)

SECRET

[WASHINGTON,] April 9, 1954.

Subject: Indochina

Participants: The Secretary
R.S.S. Gunewardene, Ambassador of Ceylon
Mr. Bonsal—PSA
Mr. Williams—SOA

The Secretary said he wanted to find out if the South Asian Prime Ministers would discuss Indochina at the Colombo Conference [1] which would convene about the same time as the Geneva Conference.

Mr. Gunewardene said that no subject to which any of the participating countries objected would be discussed at Colombo. He said the conference would be "exploratory", that mutual problems including economic matters would be discussed, and that there would be no agenda. Giving strong assurances, he said "no specific issues like Kashmir, Indochina, or military aid" would be discussed at least in overt fashion.

The Secretary then said that the United States was giving financial help and some military equipment to the French and the Associated States to help them in their struggle. It was not certain that the French were willing or able to carry through the present operation to a successful outcome, and if no new element were introduced they might be disposed to make some settlement that would in effect give Indochina to the Communists. The Secretary said that this would not end the danger but rather extend it. He then described our interest and concern in the whole area of Southeast Asia. He said that he had been discussing the problem with the representatives of interested countries, and was gratified to have word from the Ambassador of Thailand indicating strong support of our attitude. He said that willingness to take united action would strengthen our position at Geneva and if this fails it would be a base for more active military participation provided: (1) the French are prepared to give explicit assurances regarding the independence of the Associated States, and (2) other countries concerned feel the same way about the situation as we do and are willing to join in effective united action. The Secretary said he had been having exploratory talks with interested countries, and he was going to London and Paris to present this point of view to the British and French Governments. He said he hoped to create a basis for a stronger position in Geneva than otherwise might be the case.

The Ambassador of Ceylon referred to his Government's anti-Communist policies and said that any extension of Communist power in Southeast Asia would "give alarm and dismay" to the Ceylon Government. He pointed out that Ceylon does not recognize the Associated States, although there are numerous ties between the people of Ceylon and the people of Indochina. Ceylon was not convinced these states were independent. He said his Government believed they should have freedom to leave the French Union if they wanted to, and that independence for these states should be the basis for any further action.

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[1] The Prime Ministers Conference, which met at Colombo Apr. 28-30, and which reassembled at Kandy, Ceylon on May 1 and 2, was composed of delegations from Burma, Ceylon, India, Indonesia, and Pakistan.

The Secretary said that this was the heart of the problem. [2]

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[2] In another conversation held Apr. 9, Dulles outlined the united action program to Ambassador Amjad Ali of Pakistan. The conversation concluded as follows:

"The Secretary noted that the meeting of South Asian Prime Ministers at Colombo would coincide with the Geneva parley on Asia and hoped that proceedings at Colombo would not take a course counter to our objectives at Geneva.

"The Ambassador expressed satisfaction at being informed on this subject, awareness of the gravity of the situation, and stressed the importance from the point of view of Asian public opinion of the clear definition of genuine independence of the Associated States." (Memorandum of conversation by Lee Metcalf, Acting Officer in Charge of Pakistan-Afghanistan Affairs; 751G.00/4-954)

S/S-NSC files, lot 63 D 351, NSC 5416

Memorandum by the Secretary of Defense (Wilson) to the Executive Secretary of the National Security Council (Lay) [1]

TOP SECRET [WASHINGTON,] 10 April 1954.

NSC 5416

Subject: United States Strategy for Developing a Position of Military Strength in the Far East (NSC Action No. 1029-b) [2]

1. I have had forwarded to you a memorandum from the Joint Chiefs of Staff on the above subject. This is responsive to the request of the National Security Council contained in NSC Action No. 1029-b that the Department of Defense review and report on the subject. I have not had time to study all the implications of the Joint Chiefs of Staff memorandum, but, recognizing the desirability of early Council discussion of the subject, I suggest that the memorandum be made available at once to the members of the Council.

2. I believe further work will be required, particularly to correlate these military views with the political, psychological, and economic factors involved, before an over-all statement of policy on the Far East can be developed. I agree, therefore, with paragraph

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[1] This memorandum and its attachment are enclosures to a memorandum of Apr. 10 from Lay to the National Security Council. Lay recommended that "after initial discussion by the Council, the enclosures be referred to the NSC Planning Board for the preparation of a comprehensive statement of policy on the subject for early Council consideration."

On Apr. 13, the NSC discussed the enclosure and in NSC Action No. 1091-b "Referred NSC 5416 to the NSC Planning Board for the preparation of a comprehensive statement of policy on the subject for early Council consideration." (S/S-NSC (Miscellaneous) files, lot 66 D 95)

[2] See the editorial note, p. 385.

18 of the Joint Chiefs of Staff memorandum and suggest that, after initial discussion by the Council of the comprehensive subject, the Planning Board should be asked to prepare a recommended comprehensive statement of policy.

C. E. WILSON

[Attachment]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)

TOP SECRET WASHINGTON, April 9, 1954.

Subject: United States Strategy for Developing a Position of Military Strength in the Far East (NSC Action no. 1029–b).

1. In response to the request contained in a memorandum by the Acting Secretary of Defense dated February 23, 1954, [3] subject as above, the Joint Chiefs of Staff submit herewith their views on United States strategy for developing a position of military strength in the Far East.[4]

2. Since the United States military objectives and programs with respect to a specific country or region stem from approved United States policy as it affects such country or region, the development of United States military objectives toward the Far East should, in the usual course, be within the context of an over-all United States policy respecting that area. Although the United States policy towards Communist China does set forth certain general objectives to be sought in the Far East vis-à-vis that country, the United States has not formulated a comprehensive policy in which the Far East is viewed as a strategic entity and which would provide definitive direction for the development of a postion of military strength in the Far East. Rather, our present policy addresses itself to the individual countries within the area or, as in the case of Southeast Asia, to a segment of the area. Inasmuch as the scope and objectives of these policies are familiar to you, it is considered unnecessary to recount them in detail here. Pertinent extracts of basic United States policy and of policies pertaining to the individual countries of the Far East, from which an evaluation of the strategic importance attached by the United States to the Far East as a whole may be derived, are quoted in the Appendix hereto for ready

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[3] Not printed.

[4] For the purposes of this paper, the following countries are included in the Far East area: Communist China, Korea, Hong Kong, Indochina, Indonesia, the Offshore Island Chain (Japan, Ryukyus, Formosa, Philippines, Australia, and New Zealand), Malaya, Thailand, and Burma. [Footnote in the source text.]

reference. Taken in the aggregate, these expressions of policy make it clear that the United States, from the standpoint of its security interests, attaches major importance to the Far East area and would be prepared to react with military force against an armed aggression by the USSR or Communist China in that region.

3. United States commitments in the Far East having military implications are a reflection of United States policy, and accordingly they also should directly influence the character and strength of our military position in that region. Foremost among these, of course, has been the commitment involving United States forces in support of the United Nations action in Korea. Other commitments are in the nature of formal agreements such as the mutual security pacts with Korea, the Philippines, Japan, and Australia and New Zealand. Less formal commitments result from United States official pronouncements regarding the defense of Formosa† and the possible consequences which might attend a Communist renewal of hostilities in Korea‡ or Chinese overt intervention in Indochina.§

4. Non-Communist military strength in the Far East now rests principally on United States military power, plus that of France in Indochina, the United Kingdom in Hong Kong and Malaya, the forces of Australia and New Zealand, and the indigenous forces of the Republic of Korea, Associated States, and Nationalist China. The military forces of the Philippines, Thailand, Burma, and Indonesia are considered to be reasonably adequate at present only to maintain the internal security of those countries. Japan's National Safety Force, which is now in the process of transition into conventional military organizations, has not yet attained a significant combat capability.

5. Military personnel now under arms in the non-Communist countries of the Far East (exclusive of United States forces) total approximately 2,100,000 army, 111,000 navy, and 143,000 air. It should be recognized that these figures are not a true index of the present aggregate military capability of these countries. In terms of effective combat units, the capacity of the forces of Burma, Thailand, Indonesia, and the Philippines is of a relatively low order. Except for Japan, the indigenous countries in the area are lacking in the means of providing adequate logistic support and strategic mobility to their forces.

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† Statements by the President of the U.S. on June 27, 1950 and February 3, 1953 (Dept. of State *Bulletin* 574-July 3, 1950, and 711-February 9, 1953, respectively). [Footnote in the source text.]

‡ Greater Sanctions Declaration. July 27, 1953 (S/D *Bulletin* 739-August 24, 1953). [Footnote in the source text.]

§ Statement by Secretary of State at St. Louis, September 2, 1953 (S/D *Bulletin* 742-September 14, 1953). [Footnote in the source text.]

6. These countries do possess ample manpower resources. In general, the factor limiting the expansion of their military establishments is their inability to equip and support larger forces. In the case of Japan, a progressive expansion, with United States support, is now underway and when fully developed should result in a cohesive military force, capable of assuming responsibility for at least the ground defense of the Japanese main islands and possibly capable of contributing to the defense of the Far East area as a whole. The ROK and Nationalist China forces, with continued U.S. logistic support, and with adequate external air and naval support, should be capable of providing a reasonably effective defense of their respective territories. As the result of United States assistance, the organization and combat effectiveness of the Chinese Nationalist forces have been materially improved in the last three years. With the amphibious lift now available to them they are capable of undertaking raids against the Chinese Communist mainland; with United States air, naval, and logistic support, they would be able to undertake larger-scale amphibious operations or to participate otherwise in the general defense of the Far East area. The Associated States have mobilized a sizable combat force which, however, has not developed to its full combat potential. Its major deficiencies appear to be due to inadequate training methods and facilities, lack of trained leaders, lack of confidence in the French, and lack of incentive. The United States has proposed steps which, with the cooperation of the French, could in a large measure remedy these defects and, in time, enable the Associated States not only to maintain their internal security once it is restored but also to become an effective element in the containment of Communist China.

7. The estimated combined strength of the Communist forces in the Far East (USSR, Communist China, and the Viet Minh) totals 3,260,000 army, 125,000 navy, and 117,000 air. The forces of the USSR are well organized and possess a high combat potential. They are more than adequate for the defense of Soviet territory in the Far east and are considered to be capable of launching combined operations against Japan which, at present, could only be effectively opposed by United States forces, employing their atomic capability. While by Western standards the Communist Chinese are deficient in strategic and tactical mobility, airpower, and technical and logistic support, they have demonstrated that with Soviet logistical assistance, and by virtue of sheer numbers alone, they constitute a formidable force and one which, if unopposed by United States power, is considered to be capable of overrunning all of Southeast Asia. The Viet Minh, although not highly organized nor self-supporting, have proved themselves capable of withstand-

ing the combined efforts of the French and the Associated States in Indochina.

8. In assessing the factors which contribute to military power in the Far East, it is evident that insofar as the indigenous forces of the area are concerned, there is at present an imbalance which is heavily in favor of the Communist countries. The defeat of Japan and her subsequent demilitarization and disarmament removed from the scene, at least temporarily, the one Asiatic power which had the potential of denying the advance of Communist forces in that area. The collapse of Nationalist China on the mainland enlarged the military vacuum which Japan's defeat had created and into which, in characteristic fashion, the Communist forces moved. The decline in the position of the former colonial powers in the Far East and the general distress which now characterizes the areas they formerly dominated, encourage the Communists to pursue their expansionist objectives, for which mainland China affords them an excellent base of operations. As opposed to the comparatively weak, insecure, and divided opposition presented by the non-Communist countries of the area, Communist China, closely aligned with the Soviet Union, stands as a powerfully organized and disciplined force, whose apparent immediate objective is to gain control of the strategic resources and rice surpluses of Southeast Asia. Once this is acquired by the Communists, Japan would be forced to terms, due to her dependence upon the resources of this area for her livelihood. The implications of such an eventuality as related to the security interests of the United States and the Free World need not be dwelt upon here. At present, it is only the power of the United States which provides a semblance of balance to the military positions in the Far East—a balance which will remain precarious so long as the non-Communist countries in that region remain individually weak and collectively unorganized to oppose the threat of Communist China.

9. It is obvious that for the foreseeable future United States power will be an essential element in developing and maintaining a position of military strength in the Far East. It is equally obvious that, under present circumstances, inordinate reliance is placed upon United States power to achieve that end, and too little upon the development of the collective military capabilities of the Asiatic non-Communist countries in that area. It is toward redressing this condition that the United States should direct its efforts in the Far East—to foster the determination and to enlist the combined strengths of those countries to oppose any aggressive advances by Communist China or by a minor satellite.

10. To the extent that Communist control in China can be disrupted and Communist China circumscribed by effective regional

opposition in the Far East, dependence upon United States military power in that area will be decreased and United States freedom of action in its global strategy vis-à-vis the USSR enhanced. Even without substantial increases in the present military forces of the Asiatic non-Communist countries, their demonstration of a purpose to resist collectively will introduce a new factor to deter aggressive Communism in the Far East. With progressive improvement and, where feasible, expansion of their forces with coordination of plans, and with improvement in their capabilities to project their forces to assist in the common effort, this deterrent would take on added significance. Psychologically, such a community of purpose and effort would tend to remove the feeling of isolation and impotence now prevailing in the individual countries and to create the confidence essential for a resolute attitude in the face of the Communist threat, both internal and external. Moreover, such a concerting of effort would permit a coordinated development of military resources in which the military assets peculiar to each country could, to an extent, be exploited for the benefit of the whole. This could also serve to give direction to the military assistance furnished by the United States to the countries concerned.

11. The aggressive attitude and the growing military power of Communist China represent the primary and immediate threat to the non-Communist countries of the Far East. There is no unique prescription which would produce in short order a local counterbalance to that power. Nevertheless, the containment of that power within its present boundaries, the arresting of its internal growth, and ultimately its detachment from the area of Communist control should be the progressive objectives of United States policy toward the Far East. To accomplish these objectives without ever-increasing demands upon United States resources will require the development, organization, and effective application of the combined military potential of the non-Communist countries of that region. As a long-range goal in the Far East, the Joint Chiefs of Staff would envisage the emergence of a regional security pact with which the United States and possibly other major Western Powers would be associated and which would form the political and economic basis of an integrated military structure of indigenous armed forces, supplemented and complemented by the mobile forces of the United States and other associated nations. If this goal is to be attained, it is important that actions designed to reduce the internal growth of Communist China proceed concurrently. When this military posture has been developed sufficiently to permit the parent alliance to deal with Red China from a position of strength, military and other pressures should be brought to bear in such manner and to the extent required to reduce the Communist threat in the Far

East to manageable proportions. It is conceivable that through a combination of political, military and economic pressures a separation of Red China from the Soviet bloc could ultimately be brought about, possibly followed by the reorientation of mainland China to the West.

12. The obstacles to the establishment, at this time, of a comprehensive regional security arrangement for the Far East are too well known to require restatement. However, until such an arrangement can be established the full potential of the collective capabilities of the Far East countries cannot be realized. In the meantime, as an alternative, bilateral and multilateral treaties among the countries of the area should be fostered. With the United States acting as the integrator among the treaty nations, it should be in a position to give direction to the development of forces and facilities in a manner which not only will provide for the local security needs of the respective countries but also make possible eventual contributions to a collective effort. If such a regional arrangement is to have substance, it will not suffice for each member country to provide only the minimum forces and facilities to meet its own internal security requirements. In the aggregate, the indigenous forces established should be designed to complement the United States forces—local deterrent strength to be reinforced, if necessary, by our more mobile military power.

13. Basic to the establishment of a non-Communist position of strength in the Far East is the rehabilitation of the Japanese military forces—not along the lines of the ultra-national military attitude of pre-World War II, but along moderate and controlled lines that will enable Japan to exert a stabilizing influence in the Far East. There are indications that the Japanese Government and people are beginning to view rearmament in an increasingly realistic light and that a healthy military revival will emerge in due course.|| It is probable that this trend will be accelerated as United States forces are withdrawn from Japan. It is recognized that a military revival in Japan would be attended by certain risks, although there are counteracting factors which would materially limit those risks. In addition to restrictions which would be imposed upon Japan by economic and political factors, it is believed that so long as the United States furnishes the principal offensive air and naval elements of the combined military forces in the Far East, adequate safeguards against the recrudescence of Japanese military power as an aggressive force would be provided.

|| See Department of State policy report "Current Foreign Relations", dated March 10, 1954. [Footnote in the source text.]

14. If Japan is ultimately to assume responsibility for her national defense and to join in a concerted effort to resist Communist aggression, the United States must accept the risks, while exerting its efforts to influence the course of Japanese policy to conform to our security interests. Even though, at this time, Japan would not be wholly acceptable as a member of a Pacific regional pact, it is considered to be in United States security interests to foster and support the healthy development of the Japanese military structure to the end that Japan will become capable of providing for her own security and of becoming a contributor to collective security in the Western Pacific.

15. Time will be an essential element in the dissolution of the obstacles to the formation of the comprehensive system of regional security in the Far East area, but this should not deter the United States from proceeding toward this as an objective. In the meantime, the urgencies of the developing situation may well require positive measures to counter the Communist threat until such time as it can be caused to recede. Providing for the security of the offshore island chain will not, of itself, be adequate. This measure constitutes merely a means toward achieving security in the Far East rather than the primary security objective to be sought.

16. In the light of the foregoing considerations affecting the security interests of the United States in the Far East, the Joint Chiefs of Staff are of the opinion that United States policy should view the non-Communist Far East as an entity, whose component countries are interdependent economically and strategically. Viewing the problem within this context, our policy should be directed toward achieving the following objectives, among others:

a. Development of the purpose and capability of the non-Communist countries of the Far East to act collectively and effectively in opposing the threat of aggressive Communism.

b. Eventual establishment of a comprehensive regional security arrangement among the non-Communist countries of the Far East, with which the United States, the United Kingdom, and possibly France, would be associated.

c. Reduction of the power and influence of the USSR in the Far East, initially through the containment and reduction of the relative power position of Communist China, and ultimately the detachment of China from the area of Soviet Communist control.

17. In order to achieve the foregoing objectives, the Joint Chiefs of Staff consider that the United States should pursue the following courses of action:

a. Foster the progressive development of the military strength of Japan, to the point where she can provide for her own national defense and, in time, contribute to the collective defense of the Far East.

b. Similarly, provide assistance and support for the forces of the ROK and Nationalist China, as prospective contributors to the community defense effort in the Far East.

c. Continue to foster the development and improvement of the forces of the Associated States in order to enable them, with continuing French support, eventually to be capable of maintaining internal security without the assistance of French units and also to become an effective element in the containment of Communist China.

d. Assist Australia, New Zealand, Thailand, Indonesia, Burma, Malaya and the Philippines to improve the quality of their forces and, where feasible, to expand them beyond the minimum requirements to maintain their internal security.

e. Seek to reduce the friction and to resolve the differences which now constitute a major obstacle to a collective security arrangement in the Far East; more specifically, seek to promote the acceptance of a rearmed Japan as an important element in the common defense of the area.

f. Foster bilateral and multilateral defense treaties leading to improved cooperation, coordination of plans, and eventually to a comprehensive and cohesive system of security in the Far East area.

g. To the extent feasible, direct the development of the indigenous forces in the non-Communist countries along such lines as to complement United States mobile forces and to facilitate their employment in conjunction with our own and other forces, if required.

h. Maintain the integrity of the off-shore island chain.

i. Be prepared to prevent further territorial expansion by the Chinese Communists, and to take such measures as may be feasible to prevent them from consolidating the gains they have thus far achieved in North Korea and, through the Viet Minh, in Indochina.

j. In the event of overt Chinese Communist aggression, avoid the imposition of arbitrary restriction which would limit the counteraction to the area where the aggression occurs, but rather, retain freedom of action to apply the counteraction, as appropriate, against the source of the aggression.

k. Maintain sufficient U.S. forces in the Far East as a clear evidence of U.S. intention to contribute its full share of effective collective aid to the Associated States against the Communist threat, and to provide assurance to the people of the Far East of our intent and determination to support them in the event of Communist aggression.

l. Continue to support operations designed to disrupt Communist control and exploitation of China. To the extent feasible, intensify the scope and character of such operations without delay.

m. Seek to assure Japan sufficient access to raw materials and markets to support an independent Japanese economy thus assuring a livelihood for the growing Japanese population and the base for her rearmament.

18. The Joint Chiefs of Staff recommend that the foregoing views be presented to the National Security Council for consideration in

the formulation of a comprehensive United States policy with respect to the Far East.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

Appendix

EXTRACTS OF POLICIES RELATING TO THE FAR EAST

1. "Under existing treaties or policies, an attack on . . . Japan, the Philippines, Australia, New Zealand . . . or on the Republic of Korea, would involve the United States in war with the USSR, or at least with Communist China if the aggression were Chinese alone."

"Certain other countries, such as Indochina or Formosa, are of such strategic importance to the United States that an attack on them probably would compel the United States to react with military force either locally at the point of attack or generally against the military power of the aggressor. . . ." (Subparagraphs 13-a and b NSC 162/2)[4]

2. "In the Far East, strength must be built on existing bilateral and multilateral security arrangements until more comprehensive regional arrangements become feasible. The United States should stress assistance in developing Japan as a major element of strength. The United States should maintain the security of the offshore island chain and continue to develop the defensive capacity of Korea and Southeast Asia in accordance with existing commitments." (Subparagraph 37-b, NSC 162/2)

3. "Communist domination, by whatever means, of all Southeast Asia would seriously endanger in the short term, and critically endanger in the longer term, United States security interests." (Paragraph 1, NSC 5405)[5] ". . . The loss of the struggle in Indochina, in addition to its impact in Southeast Asia and in South Asia, would therefore have the most serious repercussions on United States and free world interests in Europe and elsewhere." (Subparagraph 1-a, NSC 5405) "Communist control of all of Southeast Asia and Indonesia would threaten the U.S. position in the Pacific off-shore island chain and would seriously jeopardize fundamental U.S. security interests in the Far East." (Subparagraph 1-c, NSC 5405)

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[4] For NSC 162/2, a report entitled "Review of Basic National Security Policy", dated Oct. 30, 1953, see volume II.

[5] Dated Jan. 16, p. 366.

4. "The security of Japan is of such importance to the United States position in the Pacific area that the United States would fight to prevent hostile forces from gaining control of any part of the territory of Japan." (Subparagraph 2-a, NSC 125/2)

5. "*Objective*—Maintenance of the security of Formosa, independent of communism, as an essential element within the U.S. Far East defense position." (Paragraph 1, NSC 146/2)[6]

6. ". . . The loss of Indonesia to Communist control would have serious security implications for the United States and the rest of the free world." (Paragraph 1, NSC 171/1)

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[6] For NSC 146/2, a report entitled "United States Objectives and Courses of Action With Respect to Formosa and the Chinese National Government", dated Nov. 6, 1953, see volume XIV.

751G.00/4-1554: Telegram

The Secretary of State to the Embassy in the Philippines

SECRET WASHINGTON, April 15, 1954—8:15 p.m.

2642. Robertson today told Abello that French and British had agreed with the Secretary's proposal that ten power defensive coalition to deter Communist aggression Southeast Asia desirable.

He emphasized that coalition would have no taint of colonialism and that French were committed to complete independence Associated States. In answer to question by Abello, Robertson stated that decision Viet-Nam association with French Union would be made by Viet-Namese. Abello informed that Secretary would meet with representatives nine powers, April 20.[1] Asked if conference on Indo-China would be held after conference on Korea, Robertson stated the two would be completely separate. Abello asked if participation in defensive coalition would assure representation in conference on Indo-China. Robertson replied no decision taken as to who would participate Indo-Chinese conference but stated that some thought given to inclusion great powers, Communist China, Associated States, and contiguous countries—Burma and Thailand.

Abello warned that opposition led by Recto would unquestionably exploit situation in which Philippines asked participation in coalition but not in conference. Abello later reiterated this. Believe he will probably point it up in communicating with his government. [2]

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[1] The meeting did not take place in the form originally envisaged. See the memorandum by Merchant, Apr. 18, vol. XIII, Part 1, p. 1349; and the letter by Ambassador Makins, Apr. 19, and the memorandum of the Apr. 20 meeting, vol. XVI, pp. 534 and 535.

DULLES

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[2] Ambassador Spruance replied on Apr. 19: "I strongly second Abello's warning. Not only would Recto's opposition exploit situation, but no Filipino, including President, would understand our asking Philippines to participate in coalition, but not including them in conference." (Telegram 2303; 751G.00/4-1954)

790.00/4-1554

Memorandum of Conversation, by the Director of the Office of Philippine and Southeast Asian Affairs (Landon)

SECRET [WASHINGTON,] April 15, 1954.

Subject: United action among nations concerned with Southeast Asia.

Participants: Walter S. Robertson, Assistant Secretary
His Excellency, Pote Sarasin, Ambassador of Thailand
Thanat Khoman, Thai Delegate at the United Nations, N.Y.
Kenneth P. Landon, PSA

The Thai Ambassador, Pote Sarasin, called by appointment to receive from Mr. Robertson a summary of developments during the Secretary's visit at London and Paris as follows:

The public reports regarding the Secretary's visit in London and Paris reflected the actual developments; the understanding reached with the U.K. and France was favorable to united action in Southeast Asia against Communist aggression; the Secretary's efforts for "united action" were intended to determine the desires and inclinations of those nations concerned with Southeast Asia with respect to Communist aggression by inviting political decision and the results so far were favorable in that a number of the nations concerned had already replied favorably.

The Thai Ambassador said that he wished to inform his Government of the next step. He recalled that the Secretary, in inviting the Thai Government's participation, had explained that first of all there should be political agreement and then the establishment of a military commission. Mr. Robertson said that what we had in mind was an organization similar to NATO, adjusted to suit the requirements of Southeast Asia, the members of which would determine the nature of their cooperation and the extent of their individual contributions.

The Thai Ambassador inquired whether further developments would be deferred until after the Geneva Conference. Mr. Robertson said that the U.S. Government would continue to attempt to discover the desires and inclinations of the other nations in or concerned with Southeast Asia and that it would attempt to secure internal agreement with Congress in order to be enabled legally to engage in a Southeast Asia variety of NATO if and when the appropriate time came.

790.00/4-1654: Telegram

The Acting Secretary of State to the Embassy in Burma [1]

SECRET WASHINGTON, April 16, 1954—4:14 p.m.

943. Your 1002 rptd Saigon by Dept. [2] Concur in desirability your encouraging Burmese attitudes and action re Indochina favorable to US policies.

When Asian Socialists plans for mission to Indochina [3] crystallize Dept prepared request Embassy Saigon if sees no objection approach French and Associated States authorities with view to facilitating mission and suggesting representatives Associated States visit Burma.

For discussions with Kyaw Nyein [4] believe US position adequately set forth in 1) Secretary's Overseas Press Club speech March 29; 2) Joint US-UK communiqué issued London April 12; [5] 3) Joint Franco-American communiqué issued Paris April 14.[6] You are authorized inform Kyaw Nyein of Secretary's position in terms outlined Deptel 907 [2] summarizing his conversation with Ambassador Barrington April 8.[7] Two points you may find useful to stress are 1) effort to establish unity of defensive purpose includes consideration of measures within framework of UN charter. 2) US believes essential for long-range solution there be adequate guarantees of complete independence for Associated States.

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[1] Repeated for information to Paris and Saigon.

[2] Not printed.

[3] A number of Asian socialist parties, including Burma's governing Anti-Fascist People's Freedom League, were planning a conference originally scheduled to be held at Bandung, Indonesia, late in April. The organizers of the conference were planning also a study mission to Indochina, to commence after the conference.

[4] Foreign Minister of Burma.

[5] The statement was issued Apr. 13. For text, see Department of State *Bulletin*, Apr. 26, 1954, p. 622.

[6] *Ibid.*

[7] See footnote 1, p. 406.

For your information Indonesian Ambassador Washington expressed to Secretary April 8 realization of importance from Indonesian viewpoint saving Indochina from Communism. On other hand Indonesian Prime Minister told press he could not see danger to Indonesia of Viet Minh triumph in its struggle against "France".[8]

SMITH

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[8] In telegram 1023 from Rangoon, Apr. 21, Ambassador William J. Sebald stated that although the socialist conference had been postponed (until late May at Kalaw, Burma), he had nonetheless spoken to Minister Nyein along the lines suggested above. He continued: "Kyaw Nyein appeared most interested in possibility eventual formation collective security arrangement but volunteered statement GUB unprepared take any active part Indochina problem at this time. Most appreciative being kept informed, terminated interview by jocularly remarked [*remarking*?] GUB had better await developments.

"*Comment:* Believe Kyaw Nyein has realistic views re Indochina situation and its possible effect upon Burma but in consonance with GUB neutral policy will be super-cautious and shy away from active participation 'united action' concept. Recommend however Burma be kept appropriately informed US position as progress made in order obviate impression Burma being ignored in matter of intimate and direct concern all SEA countries." (751G.00/4-2154)

790.5/4-1654

Memorandum of Conversation, by the Acting Officer in Charge of Korean Affairs (Jones)

CONFIDENTIAL [WASHINGTON,] April 16, 1954.

Subject: Secretary's Efforts to Develop Collective Defense Measures in Southeast Asia.

Participants: Ambassador Yang, Korean Embassy
Philip Han, Counselor, Korean Embassy
Mr. Drumright, FE
Mr. Jones, NA

Ambassador Yang stated that he had seen the press communiqués on results of the Secretary's visit to London and Paris in an effort to develop collective Southeast Asian Defense arrangements.[1] Ambassador Yang stated he had come in on his own initiative and not on governmental instructions. The ROK, he said, had long advocated a Pacific Defense Pact but the United States had not supported this idea. He was very much disturbed that the Republic of Korea and the Chinese Nationalists were being "bypassed" in the arrangements the Secretary was apparently working out. He found it difficult to understand why the French and British who he alleged had not shown real anti-Communist determination should be participants in these arrangements while Korea, whose anti-Communist stand was unquestionable, was being excluded. These recent developments, he asserted, constituted "appeasement" of the British and the French, with Korea and the Chinese Nationalists excluded in order to avoid offending the Soviets and the Chinese Communists. The Ambassador believed that Korea must be considered first in any collective measures of an anti-Communist nature in Asia and expressed the feeling that the exclusion of Korea was an indication that the United States believed Indochina to be more important than Korea. In his opinion, the problem of meeting the threat of Communism was a world-wide problem and he felt it a great mistake to deal with the problem in a piecemeal fashion. He did not believe the American public would understand the "by-passing" of Korea and the Chinese Nationalists in these arrangements and this was evidenced in the large number of queries he had already received. He was so disturbed about these developments that he didn't believe the ROK would gain anything by going to Geneva where it might be affected by "four power politics" and a further "by-passing" of ROK interests.

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[1] Regarding documentary treatment of this subject, see the editorial note, p. 400.

Mr. Drumright [2] emphasized to Ambassador Yang that the development of collective measures in Southeast Asia was only in an exploratory stage, and they had had their genesis in the special crisis in Indochina. These developments did not reflect U.S. judgment with respect to the importance of the Korean problem at Geneva but they did reflect a special urgency with respect to the crisis in Indochina. Thus far, the Secretary had confined his attention only to countries in Southeast Asia. In the long run, however, Korea was not necessarily excluded from participation. Contrary to being an appeasement of the British and French, who had fought in Korea, Mr. Drumright emphasized that the Secretary's actions were an effort to enlist British and French interests for the first time in such collective measures. In this connection, the Secretary had been most gratified with the results of his visit to London and Paris, and the communiqués have reflected a much wider area of agreement than had heretofore existed.

Mr. Drumright suggested to Ambassador Yang that the Republic of Korea ought to repose more confidence in the United States. In a recent message to President Rhee the Secretary had urged the Republic of Korea to come to Geneva to consult on the problems confronting us there. [3] We believed that the focal point at this moment was at Geneva and the great importance of attendance of the Republic of Korea at the Geneva Conference in connection with the crisis in Indochina as well as the Korean problem could not be overemphasized. Mr. Drumright informed Ambassador Yang that a meeting may shortly be called of ten powers involved in Southeast Asia with a view to getting a position lined up before the Geneva Conference.

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[2] Everett F. Drumright, Deputy Assistant Secretary of State for Far Eastern Affairs.

[3] For documentation on the Geneva Conference, see vol. XVI, pp. 1 ff.

In connection with the Korean feeling that they should be party to any collective defense measures being developed in Asia, Mr. Drumright pointed out that this would be much easier to work out if Korea could improve its relations with Japan. There were many problems between the countries of Asia which needed to be resolved. He was glad to see that Japan and the Philippines had apparently agreed upon a reparation settlement. It was important to build up step-by-step the friendly relations between the Asian countries in every possible way.

Ambassador Yang stated that he was having his third conversation with Ambassador Iguchi [4] that afternoon. President Rhee had agreed that all that was necessary to reopen Japanese-ROK negotiations was a statement from the Japanese side that they would withdraw the five points made by Kubota and state that they would abide by the articles of the Japanese Peace Treaty. [5] Furthermore, President Rhee had told Ambassador Yang that in forming any Pacific Pact if the majority of the countries involved desired Japan's participation, Korea would go along with this view without question.

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[4] Sadao Iguchi, Ambassador of Japan.

[5] For documentation, see volume XIV.

790.5/4-1654

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

SECRET [WASHINGTON,] April 16, 1954.

Subject: Secretary's Talks in London; [1] Arrangements in the Pacific

Participants: Sir Roger Makins, Ambassador of Great Britain
Mr. L.T. Merchant, Assistant Secretary, EUR
Mr. H. Raynor, Director, BNA

Sir Roger Makins called today and Mr. Merchant gave him a fill-in on the various matters discussed with Eden in London along the line of the telegrams sent to the Department.

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[1] Secretary Dulles was in London Apr. 11–13; for documentation on his talks with Eden, see vol. XIII, Part 1, pp. 1307 ff.

Sir Roger said that he had received a message from London making four points with respect to arrangements for the Pacific which might be worked out as follows:

1. The arrangements should not be purely *ad hoc* and directed solely to Indo-China but should be of a more general and enduring nature.
2. They should be in accord with the Charter.
3. It is very important to carry the Asian States along and they should be given every opportunity to associate.
4. Mr. Eden is not absolutely convinced that no concessions should be made to the Communists in the area especially should there be some security arrangements developed. In other words, Sir Roger said that U.K. agreement to complete rigidity on negotiations should not be assumed.

He later explained that he did not interpret this to mean solely at Geneva but in connection with the area of the Far East in general.

Mr. Merchant replied that there was complete agreement at London; that the UN would be brought in or informed on this matter at the earliest appropriate moment. He said he thought there was also agreement that neither by composition nor otherwise should the arrangements be developed so that they would be regarded as a white coalition. Mr. Merchant said that Mr. Eden had raised the question of India and the Secretary had urged that the less said on this point the better because it would raise problems for us in connection with Formosa and South Korea. He felt, therefore, that the more limited the geographic grouping the less difficulties would be created for all of us.

Mr. Merchant added that he thought Mr. Eden's mind was closer to a decision than was the Secretary's that the form of arrangements should result in a Pacific NATO. He felt the Secretary thought this in all probability might be the result but that he still was open-minded on it. Mr. Merchant raised the question if this approach was suitable to deal with the urgent nature of the immediate problem, he felt the Secretary thought we needed something urgently to deal with a problem we are facing now and that it would take at best considerable time to work out a NATO-type structure.

As to Sir Roger's fourth point, Mr. Merchant said we did not have a negative position on Geneva but on the contrary felt that the creation of some form of machinery such as the Secretary had in mind would mean the creation of an asset for us at Geneva and thereby increase the prospects for negotiation.

With respect to the question of an *ad hoc* as against a permanent NATO-type organization, Sir Roger expressed the view that the two concepts were not necessarily contradictory. If we create a group to work here in Washington on the permanent organization this group would also be able to deal, he thought, with immediate problems also as they arose. He said that in his view perhaps a way to set up the Washington group would be a working group perhaps at Minister level.

790.5/4-1754: Telegram

The Acting Secretary of State to the Embassy in the Netherlands [1]

CONFIDENTIAL WASHINGTON, April 17, 1954—4 p.m.

1235. Netherlands Ambassador called on the Acting Secretary April 16 under instructions to make inquiry with regard to SE Asian defense organization. . . . Netherlands' interest based upon NATO membership and therefore in any developments likely lead to conflict, as well as upon Netherlands' position as "Pacific power." Also Netherlands had previously offered use New Guinea as base case of necessity which "he had no doubt still held good" and Netherlands had previously requested be kept fully informed of any contemplated enlargement ANZUS. . . . Stated Government's request was not that Netherlands should necessarily participate in any SE Asia organization but that the Netherlands be kept completely informed so that government can "define its own position" and answer parliamentary questions.

Acting Secretary assured Ambassador of our desire to keep his Government fully informed.

Acting Secretary stated U.S. had been confronted with a very urgent situation caused by number of requests from French for increased assistance in Indochina which would have involved larger and more direct measure U.S. participation. In consulting Congressional leaders became clear that while they were quite willing face up responsibilities U.S. should assume in the area, could only be done if nations in area most directly concerned willing show their intent also face up responsibilities and participate with us. We very much felt that unless our intention declared we faced possibility having free world position everywhere eroded bit by bit. Massive retaliation was not entire answer particularly in Asia and situations such as that in Indochina. Declaration of intent prevent further Communist expansion in SE Asia would itself have deterrent effect. This does not mean ultimatum to Communist China, although if Chinese Communists intervene as in Korea we would be confronted by difficult situation.

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[1] Repeated for information to Djakarta.

Response had been encouraging, although U.K. and France had not gone as far as Australia, New Zealand and Thailand. New Zealand and Australia were much concerned and had stoutly faced up to situation.

The Ambassador was informed Secretary was going to have meeting with Ambassadors participating countries before leaving for Geneva in which he hopes at least to set up framework for an *ad hoc* group to come up with some kind of proposal. No time now for formal treaty procedure, which might come later. In U.S. view this is not extension ANZUS Pact. U.S. satisfied position for Geneva already strengthened. Reply Ambassador's questions Acting Secretary stated we did not think there was solution short of complete victory, and any compromise would entail grave and increased risk in long term. Also pointed out dangers of solution which would lower French prestige and effects this would have on France's position in Europe and North Africa. Disappointed that French thus far seemed be offering appearance without substance of independence to Vietnamese. Ambassador expressed view Indochina much less ready prepared independence than Indonesia but recognized Vietnamese would not fight without assurance independence.

With respect Geneva, Acting Secretary stressed importance of allies not compromising selves out of bargaining position prior to beginning negotiations with Communists and thus of "having no place to go."

SMITH

790.00/4-1954: Telegram

The Ambassador in the Republic of China (Rankin) to the Department of State [1]

TAIPEI, April 19, 1954.

574. Following is summary to date of reaction on Formosa to proposed ten nation southeast Asian and western Pacific defense alliance. So far no official Chinese Government statement has been issued nor has any one official made what can be considered authoritative statement, although Foreign Minister Yeh came close to it with exclusive interview to English language *China Post* April 14 (see Weeka 16). [2] Nevertheless attitude of Chinese Government is

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[1] Repeated for information to Seoul.

[2] From Taipei, dated Apr. 16, not printed. (794A.00(W)/4-1654) Joint Weekas were weekly summaries of events at a post sent to Washington via Department of the Army channels. They included contributions from Embassy political and economic officers as well as those of armed forces attaches.

clear and clearly reflected in near unanimity of informed public and press opinion. Differing only in point of emphasis or tone of language from official to official or newspaper to newspaper general Chinese reaction is: Proposed defensive alliance represents progress of a sort in anti-Communist cause but would be ineffective as now contemplated because of its nebulous nature and limited membership. Without participation of Free China and Korea, alliance lacks teeth for enforcement of real collective security in Pacific. Omission of two nations which are most strongly anti-Communist and possess largest military forces in Far East is, quoting Senator Knowland, "utterly unrealistic".

Dulles trip to Europe not nearly so successful as claimed. Tendency toward moderate half-way measures still apparent, with danger of appeasement and peace without honor at Geneva Conference unabated. To be effective, Pacific defense pact must be unmistakably anti-Communist and include all nations ready and willing to fight communism. Current Chinese opinion as summarized in above paragraph is consistent with previous reactions in Free China under somewhat similar circumstances.

RANKIN

790.00/4-2054

Memorandum of Conversation, by the Deputy Director of the Office of Philippine and Southeast Asian Affairs (Day)

CONFIDENTIAL [WASHINGTON,] April 20, 1954.

Subject: Call of Dr. Zain

Participants: Dr. Zairin Zain, Minister of Indonesian Embassy
Mr. Ibnu Suwongso Hamimzar, First Secretary of Indonesian Embassy
PSA—Henry B. Day

Dr. Zain called to reiterate a point he had already made that the Indonesian Government would be interested in learning whether (a) it was anticipated that the Netherlands participate in the proposed organization for united action in Southeast Asia and (b) whether the Netherlands Ambassador had made on his own initiative any *démarche* indicating interest on the part of the Netherlands in participating in united action.

In reply to Dr. Zain I said that I could not recall at the moment whether the Netherlands Ambassador had had a talk with the Secretary, Under Secretary or Mr. Robertson, and that I was not certain whether the Netherlands Ambassador had taken the initiative but that I understood that the Netherlands Ambassador had been given the same information about the Secretary's thinking on united action as had been given to the representatives of other Governments. I mentioned that the Secretary had outlined his views on united action to a number of representatives of different countries. I added that I understood that the Secretary's views, as indicated in the communiqués issued in London and Paris, envisaged collective defense within the framework of the United Nations and that if such an arrangement were achieved it would [1] include countries other than the group to which the Secretary had first made his proposal known.

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[1] A handwritten marginal note to Day by Drumright reads: " 'could' would be better word."

Editorial Note

A tripartite meeting of the Foreign Ministers of France, the United Kingdom, and the United States, was held at the Quai d'Orsay in Paris on April 22, at 4 p.m. It was in part devoted to a discussion of developments treated in the present compilation. For the United States minutes of this meeting, see volume XVI, page 544.

In telegram Dulte 10 to Washington, April 23, drafted by Dulles personally and marked "Eyes Only Acting Secretary", Dulles reported that at a dinner meeting at the Quai d'Orsay:

> "Eden expressed to me grave doubts that Britain would cooperate in any active fighting to save Indochina. He expressed fear that US intervention might initiate World War Three and urged we should take no such action without prior consultation. He expressed view that there should be prompt military consultations in Washington including representatives of Thailand to make plans to endeavor hold situation if Indochina lost. He said he did not believe that Churchill cable to President was primarily related to Indochina situation." (For text of telegram Dulte 10, see volume XIII, Part 1, page 1375. The message from Churchill has not been identified.)

790.5/4-2654

Memorandum of Conversation, by the Acting Officer in Charge of Korean Affairs (Jones)

CONFIDENTIAL [WASHINGTON,] April 26, 1954.

Subject: Southeast Asian Defense Alliance.

Participants: Mr. Shigenobu Shima, Minister Plenipotentiary,
Japanese Embassy

Mr. Robert J.G. McClurkin, Acting Director, Office of Northeast Asian Affairs
Mr. William G. Jones, Acting Officer in Charge, Korean Affairs

Mr. Shima, in connection with another matter, asked whether there had been any new developments in the attitude of the ROK in regard to the Southeast Asian Defense Alliance which we were working on. He wondered whether the ROK had been informed of these matters and stated that he had understood the plan would exclude the ROK and the Nationalist Chinese.

Mr. McClurkin stated that the ROK had been informed just as had Japan of these developments, and to about the same extent. India, Ceylon, and other countries also had been informed of the general nature of our thinking on such an alliance. We have no intention at this point of including Korea or Nationalist China. This has made Ambassador Yang quite unhappy, but it is our belief that an alliance of this sort must grow gradually. The Secretary hopes to have confidential, staff-level discussions going on with respect to this matter even during the Geneva Conference. Our present feeling is that the arrangements will be informal and thus unlike the formal arrangements of NATO. Despite the informality of arrangements, however, we must think in terms of a joint resolution by the Congress. Eventually, a situation may develop whereby these arrangements will evolve to include the ROK, China, and Japan as well when constitutionally possible.

Mr. Shima pointed out that a defense alliance with specific reference to Indo-China was quite a different matter than a more comprehensive Pacific collective security system. The later case involves a consideration of the relationships between Japan and the other countries. For example, the ANZUS defense treaty was in part directed against Japan. Mr. McClurkin agreed that a broadening of a defense alliance to include Japan would pose special problems. He did point out, however, that out of the *ad hoc* case of Indo-China might emerge larger arrangements. Despite the many differences among the countries in the Pacific area, there was a common bond, namely, the threat of Communist China. In the course of time, it is our hope and expectation that other countries in Asia will come to realize that Communist China and not Japan is indeed the real threat to peace.

790.5/4-2654: Telegram

The Ambassador in France (Dillon) to the Department of State [1]

SECRET PARIS, April 26, 1954—4 p.m.

4070. The Indonesian Ambassador called on me today to discuss the proposed Southeast Asia pact. He said that his government was very much disturbed by reports emanating from The Hague that Holland was about to make a request to participate in this pact. The Ambassador said that due to the coming election early in 1955, Indonesia could take no position regarding joining such a pact. However, he said that his government had asked him to inform the US that they could well understand the reasons for the creation of an anti-Communist pact in Southeast Asia and that they would look on such a pact with benevolent neutrality. However, if Holland should be allowed to participate in the pact, thus in effect recognizing the Dutch position in New Guinea, there would be serious repercussions in Indonesia and the Indonesian Government would have to consider the pact as unfriendly to Indonesia. The Ambassador told me that his colleague in Washington had received similar instructions and would make similar representations to the Department.[2] He had been instructed to duplicate this *démarche* in Paris in order to emphasize the gravity of the problem and to insure that it would be brought promptly to the attention of the Secretary at Geneva. He asked that he be kept informed of developments. [3]

DILLON

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[1] Repeated for information to Djakarta, Geneva, and The Hague.

[2] No record of a representation at this time by Ambassador Moekarto has been found in Department of State files.

[3] Walter K. Scott, Director of the Executive Secretariat, summarized this telegram in a memorandum of Apr. 30 to the Acting Secretary. He concludes: "Our Geneva Delegation comments that while there has at no time been any thought of inviting the Netherlands to participate in any such pact, there seems to be no necessity for stating this position to the Indonesians in reply to unsubstantiated reports. The delegation stated it is confident in Matthews' ability to head off any prospective Dutch requests to participate." (7905/4-3054) H. Freeman Matthews, formerly Under Secretary of State, had presented his credentials as Ambassador to the Netherlands on Nov. 25, 1953.

Conference files, lot 60 D 627

Memorandum by the Deputy Assistant Secretary of State for European Affairs (Bonbright) to the Acting Secretary of State

TOP SECRET [WASHINGTON,] April 30, 1954.

Subject: Background Material for ANZUS Meeting. [1]

A summary of recent pertinent conversations is being prepared for you. Until April 28, both Australia and New Zealand were, publicly and privately, in substantial agreement with us. Menzies then apparently felt obliged to line up with the British in opposing the present initiation of "united action" discussions, and the *New York Times* of April 29 reported from Geneva: "Canada, Australia, and New Zealand Are Said To Support Opposition of Britain". This is not quite the ANZUS spirit of solidarity about which so much has been said in the past few weeks.

A meeting of the ANZUS Council in Geneva will, if publicized, offset to some extent this trend away from our position. It will, however, accentuate U.S.-U.K. differences and the exclusion of the British from ANZUS, but Casey and Webb will no doubt take care of this point in their suggestions for a communiqué after the ANZUS Council Meeting.

We considered suggesting to you that, in view of apparent backsliding by the Australians, we hold them off a little on an ANZUS meeting, but think it best to go ahead and bring them back on course a little, laying the groundwork for more active support from them after the general elections in Australia on May 29 for their House of Representatives. (Current estimates are that the present Liberal-Country Party coalition will win by a small margin over the Labor Party opposition headed by Dr. Herbert Evatt. If Labor should win, we would have much more difficulty in getting Australian support. Evatt could not be counted on to the same extent as Menzies.)

Pertinent records of the 1952 and 1953 ANZUS Council Meetings will be available at Geneva. It has been agreed that the Council will meet annually, alternating "in principle" between Washington one year and Canberra or Wellington the next year. The 1952 meeting was in Honolulu and the 1953 one in Washington. The Australian and New Zealand Governments have been counting on the 1954 meeting being out there. Depending on events in the next few months, the Secretary may or may not want to go out there for another Council meeting this year, and he will no doubt bear this in mind in discussing future plans for the ANZUS Council.

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[1] A consultation of Foreign Ministers under the terms of the ANZUS Pact was held at Geneva on May 2.

Summary of Recent Consultations with Australia and New Zealand

April 4 Secretary saw Spender and Munro, with General Smith, Admiral Radford, etc. Reference was made to ANZUS by the Secretary.[2]

April 5 Merchant saw Spender to suggest Australian initiative in current crisis. Merchant asked if it would be helpful if meetings with the two Ambassadors were called "Consultative Meetings of the ANZUS Deputies". Our Embassies in Canberra and Wellington were later asked to raise same question informally.

April 6 Secretary saw Munro, who sought further consultation concerning April 4 meeting and stressed importance of fullest possible US–UK agreement as basic to policy of his Government. ANZUS apparently not mentioned specifically.

April 10 General Smith saw Spender and confirmed Spender's understanding that the Secretary's proposal called for a coalition of interested states to render aid required to prevent further deterioration in Indochina. Proposal did not constitute declaration against Communist China. General Smith suggested possible ANZUS Deputies meeting to discuss results of Secretary's discussions in London and Paris. Spender agreed such meeting might be profitable.[3]

April 12 Embassy Wellington reported that External Affairs felt no public pressure on the necessity of the ANZUS label, but had no objection if Australia and US so desired. UK non-inclusion issue might crop up but New Zealand officials were willing face this.

April 14 Webb said in Wellington that New Zealand Government welcomed US-British statement of April 13. He referred to ". . . Communist expansionism . . . serious position . . . in Indochina . . . our special interest in security of Pacific . . . loss of this area would pose serious threat to security of Australia and New Zealand . . . ready to accept fair share of responsibility . . . prepared to enter into discussions . . . to conclude system of collective defense . . . within UN Charter."

April 14 Acting External Minister McBride said in Canberra that ". . . activities of the Communists in Indochina . . . endanger the peace and security of the entire area of Southeast Asia and the Western Pacific . . . recognition of the strategic importance of this area . . . is of great significance to Australia . . . Australia will be a willing participant in the discussions on the collective defense of Southeast Asia (within the framework of the UN Charter). . .".

April 15 General Smith saw Spender and outlined results of Secretary's trip to London and Paris. Spender said it was important not to allow any new Southeast Asia arrangements to interfere with close consultative relationship established by ANZUS.

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[2] A memorandum of this conversation is printed in vol. xiii, Part 1, p. 1231.

[3] A memorandum of this conversation is printed *ibid.*, p. 1304.

April 17 General Smith and Merchant briefed Spender, Munro and Heeney [4] on Secretary's trip and plans for Geneva Conference. [5]

April 18 Plans for April 20 meeting changed after Secretary's discussions with British Ambassador. [6]

April 20 Australian Embassy Counselor Blakeney told Bonbright that Spender would see General Smith the next day to say that the Australian Government had been quite prepared to attend a meeting of the Ten powers with a view to inauguration preliminary and exploratory conversations. Blakeney said he wanted to make plain the Australian Government did not agree with the British Government's changed view on this point. Blakeney said also that his Government was anxious to follow up the "suggestion", which he said had been put forward on April 4, that meetings on this subject be considered as meetings of the ANZUS Deputies. Australia did not want ANZUS to be submerged and thought that occasional meetings of the Deputies would show that the organization was operating. [7]

April 21 General Smith saw Spender.

April 23 Embassy Canberra reported that External Affairs cabled Spender it favors labeling meetings as of ANZUS Deputies. (Canberra Top Secret telegram No. 239, 5:00 p. m., April 23.) [8]

April 26 General Smith saw Munro. Munro was told that the President and Congressional leaders felt US should be willing to do anything it could to assist the Indochinese but those who are closer to danger should come along. No desire to coerce allies or give ultimatum to China. British position was key to situation and Munro commented his Government's attitude depended on the British. Munro asked for consideration of possibility of ANZUS meeting. General Smith agreed this might be desirable and suggested Munro speak to Spender and let General Smith know their joint views.

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[4] Ambassador A.D.P. Heeney of Canada.

[5] A memorandum of this conversation is printed in vol. XVI, p. 530.

[6] A memorandum of this conversation is printed in vol. XIII, Part 1, p. 1349.

[7] According to Bonbright's memorandum of this conversation, Blakeney had also brought up the question of membership of a regional defense arrangement:

"Australia would favor approaching other Asian nations in addition to Thailand and the Philippines, and each of them would require special handling. For example, they believed that it should be made clear to the Burmese that the choice was theirs to join the Ten or not to join. The three Asian members of the Commonwealth, Pakistan, India and Ceylon should at least be kept informed as our thinking developed. As to the Indonesians, the Australian Government was not certain what should be done. There would be real hesitation in Canberra about having them join the Ten." (Conference files, lot 60 D 627, CF 236)

[8] Not printed. (Conference files, lot 60 D 627, CF 236)

April 29 Prime Minister Menzies in public statement commenting on local press headline "Australia to Back US-Indochina Policy" said "The story is completely untrue. We are . . . in close contact with the UK . . . We have entered into no new obligations but we have . . . very special interest in the future of Southeast Asian countries." He also said that after Casey's return from Geneva next week cabinet could consider any suggestions. He noted proximity May 29 elections and said it would not be normal practice to make material changes in foreign policy and deprecated statements suggesting conflict between US–UK on matters obviously requiring closest mutual understanding.

790.5/4-3054: Telegram

The Secretary of State to the Department of State [1]

TOP SECRET GENEVA, April 30, 1954—5 p. m.
NIACT

Dulte 30. Eyes only Acting Secretary from Secretary. London eyes only Ambassador. I had a very frank talk with Eden today, in the course of which he handed me the following memorandum:

"South-East Asian defence.

"1. Communism in Asia cannot be checked by military means alone. The problem is as much political as military; if any military combination is to be effective, it must enjoy the widest possible measure of Asian support.

"2. We should aim to get the support of Burma as well as Siam as the immediate neighbors of Indo-China. But Burma will not come in unless the project commands some sympathy from other Asian countries, particularly the Asian members of the Commonwealth.

"3. If we cannot win the active support of all the Asian countries of the area, it is important that we should, at the very least, secure their benevolent neutrality.

"4. To secure this widely based Asian support, we must prepare the ground carefully for what is, in any case, intended to be a lasting defensive organization, not a hastily contrived expedient to meet the present crisis.

"5. This does not mean that we desire to delay. On the contrary, we have already been actively using our influence, particularly with the Asian members of the Commonwealth, with encouraging results. Pakistan and Ceylon have already promised not to oppose a South-East Asian collective defence on the lines we envisage, and we have succeeded in diverting Mr. Nehru from his original intention of condemning it root and branch. We have thus averted the danger that the Asian Prime Ministers at Colombo would unite in condemning our project, and have grounds for hoping for the actual support of some of them.

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[1] Repeated to London for information.

"6. Mr. Nehru's latest statement shows that his ideas have moved closer to our own. With persistence, we may even secure his endorsement of the kind of negotiated settlement in Indo-China that would be acceptable to us.

"7. While we do not believe that a French collapse in Indo-China could come about as rapidly or as completely as the Americans appear to envisage, this danger reinforces the need to lay the foundations of a wider and viable defence organization for South-East Asia.

"8. We propose therefore that the United States and the United Kingdom should begin an immediate and secret joint examination of the political and military problems involved in creating a collective defence for South-East Asia, namely: (a) nature and purpose; (b) membership; (c) commitments.

This examination should also cover immediate aid measures to stiffen Siam."

Report of my conversation follows by separate cable. [2]

Dulles

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[2] That report was transmitted in telegram Dulte 33 from Geneva, Apr. 30; see vol. XVI, p. 622. The portion most relevant to subsequent regional developments in Southeast Asia follows:

"I referred to the paragraph in the United Kingdom memorandum calling for immediate and secret joint examination between the United States and the United Kingdom. I said that this might be useful, but certainly it would not be useful if that was all there was, because we had already invited other countries, such as Thailand, the Philippines. Australia and New Zealand to share in creating a Southeast Asian defense: and the two first had definitely agreed and the two latter were interested. I also said I was confident we could not now rebuff them without serious consequences for the future. They would have to be brought in on some discussions, although probably not those of the intimate nature which were customary between the United States and the United Kingdom. I referred to the fact that the North Atlantic Treaty had developed progressively, the first conception being the Brussels Pact, then the addition of the United States and Canada, then the addition of Scandinavian countries, then the addition of Portugal and Italy, and most recently the addition of Greece and Turkey. I said that surely any Southeast Asian arrangement would have to include at least Thailand, the Philippines, Australia and New Zealand, as well as the United States, the United Kingdom and France, and the Associated States; and I did not see why we could not get started with that nucleus and let it develop as seemed natural. Mr. Eden made no reply." (790.5/4–3054)

790.5/5-254

Memorandum of Conversation, by the Adviser to the United States Delegation at the Geneva Conference (McBride) [1]

[Extracts] [2]

SECRET

GENEVA, May 2, 1954.

Participants:

United States	*Australia*
The Secretary	The Hon. R.G. Casey, Foreign Minister
The Under Secretary	Mr. A.S. Watt, Commissioner in Malaya
Vice Admiral Davis	Mr. T.K. Critchley
Asst. Secretary Merchant	Mr. J.R. Rowland
Asst. Secretary Robertson	
Mr. McBride	

New Zealand
The Hon. T.C. Webb, Foreign Minister
Mr. A.D. McIntosh
Mr. F.H. Corner

The Secretary opened the meeting stating that he had asked his Australian and New Zealand colleagues to meet with him under the terms of reference of the ANZUS Pact which provide for such consultation when any part of the area is threatened. The Secretary said he felt the situation in Southeast Asia was such that it required consultation as called for in the ANZUS Pact. Furthermore, since all three Ministers were present in Geneva, he thought it would be useful to exchange views again, especially since the present situation requires a broad unified front. He said he had discussed the situation with the Philippines under the terms of our pact with them and also with the French and the Associated States, and with the United Kingdom because of her interest in Malaya. He said that he had also talked with the Thais, and because of their special concern had held military conversations with them in Washington.[3] Finally, he had talked on the general subject of the Southeast Asian situation with the Ambassadors of India, Pakistan, Burma, Indonesia, Ceylon, Japan, Nationalist China and the Republic of Korea. Conversations with the latter group of Ambassadors in Washington had been merely for the purpose of keeping them informed.

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[1] Under Secretary Smith left Washington the afternoon of Apr. 30, arriving in Geneva the morning of May 1. Vice Admiral Davis was in Geneva as an adviser to the U.S. Delegation.

Of the Australian participants, Critchley was Head of the Pacific and Americas Branch, Department of External Affairs, and Rowland was a member of the same department assigned to Vietnam.

Of the New Zealand participants, McIntosh was Permanent Head of the Prime Minister's Department and (permanent) Secretary in the Department of External Affairs, and Corner was Counselor of the New Zealand representation in the United Kingdom.

[2] Printed in full in vol. XVI, p. 654.

The Secretary continued saying that the present situation was due in large part to the lack of any strong French Government, and the French failure to put the situation on a sound basis politically in Indochina earlier. He noted that for the Western powers to appear to be engaged in Southeast Asia in helping France preserve a colonial regime would certainly not win us support from the Asian states. The Secretary said he was, however, fully aware of the problem in France, where public opinion insisted that the French effort in Indochina be in support of the French Union, and pointed out it was somewhat difficult to reconcile full independence with the French Union concept. He added the French had made some progress along the lines of the British Commonwealth although their concept was not quite so liberal. He said that the Governments of the Associated States were feeble, and that Bao Dai and the King of Cambodia had hardly demonstrated qualities that would make people enthusiastic about dying for them.

The Secretary continued that some progress on achieving a united front in Southeast Asia had been made, but the situation remained unsatisfactory. He stressed that the peoples of the area were uncertain as to what issues were involved, and that it was difficult to obtain their support until the issues had been made clearer.

. . . .

The Secretary continued saying the choice facing the Communists was merely whether to grab Indochina all in one bite, or in little pieces and digest it as they went along. The only reason they might not take it all now is for fear of scaring the other side too much. At the present time there was not even the appearance of any alternative to eventual Communist domination of all of Indochina.

Therefore the Secretary declared he was trying to bring together a group of anti-Communist nations with interests in the area, as the knowledge such a group was consulting might cause the Communists to moderate their demands. If no action is taken until after Geneva and a disaster occurs, it will be too late. Therefore the Secretary said he would like to see military talks going on in Washington, where we have considerable information on the situation, as soon as possible.

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[3] Perhaps a reference to Dulles' conversation with the Thai Ambassador; see p. 402. In addition, in accordance with instructions from Dulles, officials of the Department of State and the Office of the Secretary of Defense had held a preliminary defense consultation on Apr. 30 with members of the Thai Embassy, including Brig. Gen. Camron Sudasna, Military Attaché. (Memorandum of conversation by Landon; 790.5/4-3054)

The Secretary went on to say Eden had agreed to these talks two weeks ago when the Secretary was in London but he was not quite clear whether this agreement still stood. However, he thought the British might come along if no intervention were involved. He said he agreed, of course, war with Communist China would be a dreadful thing, and assured the others that the United States had no intention of getting into any provocative posture with Communist China. If the Peking Government openly intervenes, then another situation would be created and we must, of course, be ready to fight at some point to preserve our fundamental values. However, the Secretary stressed that we did not intend to give the Communist Chinese any justification to attack Indochina openly.

If we take no action whatever while the Geneva Conference is in progress the French, who have no will to fight, and the Associated States who have no capacity to fight, will not continue resisting and will enter into a lonely and hopeless negotiation. The Secretary agreed that the French situation was deplorable and that there was virtually no Government at the present time. For this reason above all it was urgent to have discussions among ourselves now so that we could at least make up our own minds. For example, he said, if agreement was reached on a line in Vietnam, what would we do to hold that line? At least we should examine that question among ourselves.

. . . .

Mr. Critchley of the Australian Delegation noted that the work which had been done to date by the Five Power Staff Agency was based on the assumption of an open aggression by the Chinese Communists, and accordingly its conclusions would not be useful in the present context. Therefore he said a new estimate was needed by the five powers as to what was likely to happen and what countermeasures we would take.

The Under Secretary said there was even disagreement between the appreciations of our own and the British joint chiefs, so it was imperative to have broader talks and evolve a common policy. He said we must decide where we would hold the line, and must prevent erosion of our position. He repeated that if for example Communist troops ever reached the Malayan frontier it would then be too late to defend that area.

The Under Secretary stressed the importance of also giving full weight to political considerations. Mr. Webb indicated his agreement that political considerations, especially colonialism as an issue, were most important. The Under Secretary agreed noting we must have a full answer on this problem when we went to Congress to ask for additional aid for Indochina.

The Secretary concluded that the Communists had invented a type of warfare for which we had no ready antidote. They exploited any injustice in the world, and fed military power into minor dissident movements until they had become an explosive force. The problem was, that when you opposed these movements, unless you were very careful, you appeared to be supporting injustice.

Mr. Casey noted Mr. Eden's difficulties in coming along very far while the Geneva Conference was in progress, and indicated his view that perhaps working within the formula of the Five Power Staff Agency would be best from the British viewpoint. He said Australia would be glad to take part in talks on a multilateral basis, but, of course, could make no commitments until some weeks after the elections on May 29. He said Australia very much hoped that the UK would participate.

Mr. Webb asserted the New Zealand position was much the same as the Australian and agreed with the United States conclusion that we must develop a position to which we would stick. Accordingly he was willing to participate in talks on the same basis as Australia, with the general aim of stopping Communist expansion in Southeast Asia. Mr. Casey added again that we should make every effort to get the Asian states on our side.

In closing the meeting the Secretary stated he thought Mr. Casey's talks in Karachi would be useful, and noted he had already talked with the Pakistan Ambassador in Washington on this subject.[4] The Secretary made the point that East Pakistan was nearer to the danger than even India, and accordingly Pakistan might recognize the danger. The Secretary stated that since Australia and New Zealand agreed to the general idea of talks, we should explore the question with the other members of the five (UK and France) and see if they are willing also to join in talks. He asked the Australian and New Zealand delegates if they had any objections to Thailand participating in view of her obvious concern, and no objection was made.

The Secretary concluded the meeting reading the attached communiqué to which the Australian and New Zealand Foreign Ministers agreed.[5]

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[4] See footnote 2 to Williams' memorandum of conversation, Apr. 9, p. 411.

[5] The communique reads: "The Foreign Ministers of Australia, New Zealand, and the Secretary of State of the United States met in Geneva on May 2, as the Council of ANZUS to discuss the situation in South East Asia in accordance with Article Three of the Treaty."

751G.00/5-254: Telegram

The Secretary of State to the Department of State [1]

TOP SECRET GENEVA, May 2, 1954—8 p.m.

Dulte 42. Limit distribution. London eyes only Ambassador. After Palais meeting yesterday, I asked Eden if British would not reconsider decision and agree now to participate in *ad hoc* group of ten, informal talks starting promptly in Washington. I told him of Bidault's press conference with selected group Americans previous evening, of which he was uninformed. I stressed that as matters stood, French literally had no alternative to disguised surrender. Eden indicated he would give matter thought, but closed conversation with remark he had congenital dislike for giving public impression of talking about something which he was not prepared to do, i.e., intervene militarily in Indochina.

After dinner I gave last night for Eden, General Smith and I hit Eden (with Reading present) again on this subject. I made point we were seeking some form military support of French in Indochina which would reduce drain on French manpower without calling for replacement by Allied ground forces. I said I did not believe this was beyond the military wit to devise. I then said what we sought was British support and if military support was not available then at least moral support in the common endeavor to prevent loss all of Indochina. Failure of British to rally to our side would almost certainly produce consequences extending beyond that area. Between General Smith and myself, I believe we gave Eden far clearer detailed picture of our intent and purposes than he had had before. I feel that Eden was definitely impressed and during course of prolonged conversation indicated he recognized distinction between fighting in Vietnam on one hand and aggression against Laos and Cambodia on the other. He also tentatively indicated willingness join coalition which would fight external aggression in area to include Thailand and Burma (which he was hopeful being able persuade to join) as well as Malaya.

DULLES

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[1] Repeated to London for information.

790.5/5-354: Telegram

The Secretary of State to the Department of State

TOP SECRET GENEVA, May 3, 1954—noon.

Dulte 45. Following is text of letter from Secretary delivered to Eden last night:

"Dear Anthony: I am taking back to Washington [1] for discussion with the President the memorandum on Southeast Asian defense which you gave me on April 30. [2] I think there is much in it with which we would go along. However, it does not seem to me that the eighth paragraph proposing immediate and secret joint examination between the United States and the United Kingdom is in itself adequate.

"Your paragraph seven says that you do not think that a French collapse in Indochina could come about as rapidly or as completely as we appear to envisage. I hope you are right. I think, however, that our pessimistic view will almost surely prove correct if France is left at this moment with virtually no alternative to a lonely, hopeless negotiation, which will amount to unconditional surrender. I think it imperative that we inject some new element into the situation, and I believe that the least we should do would be to invite the French into at least certain phases of our talks and let this be known.

"We have just had a meeting of the ANZUS Council at which Australia and New Zealand indicated a willingness to proceed with military discussions with your government and mine and France, and with the desirability of Thailand being brought in. This last is in accordance with the concluding paragraph of your memorandum.

"If we do nothing in the way of planning a common defense until every last detail of nature and purpose, membership and commitments is agreed upon between our two governments acting secretly, then I fear circumstances will move against us so rapidly that what we do agree upon will have been rendered obsolete by events. Could not your government reconsider its position as expressed in your memorandum at least to the extent of enabling us to help provide Bidault with some element of hope, which might enable him to gather the political strength to hold off from the surrender which otherwise seems inevitable. Faithfully yours, John Foster Dulles."

DULLES

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[1] Secretary Dulles left Geneva on May 3 and arrived back in Washington on May 4.

[2] See telegram Dulte 30, Apr. 30, p. 437.

790.5/5-354: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET GENEVA, May 3, 1954—8 p.m.

Dulte 48. For the Secretary. Terribly sorry to miss saying goodbye to you, but could not leave the meeting of 16. I asked Eden to wish you safe home and give you affectionate farewell for me.

After the meeting Alan Watt, now head of Australian delegation and my former colleague in Moscow, stopped in for a private talk. He said that he and Australian delegation all deeply disturbed and distressed at position taken by Britain.

As former Minister of Defense, he was one of those who early appreciated danger inherent in SEA situation and double danger of British attitude that the "tight little island" must be considered first, was aware that in event of trouble there was only one source from which Australia and New Zealand could expect real aid and that was United States. He went on to say that the Australian delegation had been unable at any time to ascertain real British position and was never informed of events until "about five minutes too late to do anything useful". I reviewed our own position and gave him a good deal of the background, including some of Churchill's statements to Radford which confirmed his own opinion.[1] He concluded by saying how regrettable it was that impending election made it impossible for Australia at the moment to take a stronger line, but he felt confident that if the government won, we could count on full measure of support. He said, quite correctly, that if the government lost and the Labor Party came in, the entire defense program of Australia in which we were so greatly interested through ANZUS would break down.

After plenary session today and tomorrow, there will probably not be another until the end of the week. Spaak[2] sent word that he would be prepared to speak Thursday or Friday,[3] preferably Friday, so will try to have week end plenary on that date. At the meeting this morning, Eden openly and forcibly rejected every suggestion made by other participants that he speak. I am having supper alone with him tonight and will give you a report tomorrow.

SMITH

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[1] Regarding Admiral Radford's visit to the United Kingdom in April, see telegram 4725, Apr. 26, vol. XIII, Part 2, p. 1416.

[2] Paul-Henri Spaak, Belgian Minister of Foreign Affairs.

[3] May 6–7.

Eisenhower Library, Project "Clean Up" Records, 1953-61

Memorandum of Conversation, by Robert Cutler, Special Assistant to the President for National Security Affairs [1]

TOP SECRET WASHINGTON, May 5, 1954—8 a.m.

1. The President spoke of the consistent policy of the U.S. since World War II in furthering collective arrangements for the security of freedom-loving nations. The proposal of a Southeast Asian regional grouping was accordingly not only nothing new, but fully consistent with U.S. policy.

2. Dulles said that before he made his March 29 speech, he had furnished advance copies of the portions dealing with the regional grouping to the British and French, and they had made no adverse comment. Later, when he made his trip to England and France, there had been agreement, as the communiqué showed, to examine a regional grouping which would be applicable in an attempt to preserve the areas of Indochina, as well as the rest of Southeast Asia, from further communist aggression.

3. Later developments affected the position of England, as originally affirmed [illegible] by Eden, Churchill, and the British Cabinet. After Dulles returned from his short trip to England and France, the British began to change their position. The British instructed Makins not to attend the first meeting of the nations to participate in the regional grouping. Dulles thinks the British were motivated by a sudden recollection that the Colombo Conference was beginning at this time, and by the views of Admiral Radford, which they interpreted as belligerent.

4. Dulles found the British, and particularly Churchill, scared to death by the specter of nuclear bombs in the hands of the Russians, and also beguiled by the soft talk of the Russians to the effect that East-West trade could be greatly developed. Churchill had referred to the desire of the UK not to be under obligation to the US for further assistance. There was also a desire to get Nehru to preserve neutrality toward the regional grouping, in advance of proceeding. Dulles thought Burma might come in, if India would remain neutral on this subject.

5. Dulles spoke of how galling it was to the US to be the center of the Red attack at Geneva, without any of our Western friends speaking up in general debate in our defense in order to set the historical record right. The Communists accused us of seizing For-

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[1] This memorandum is not initialed or signed by Cutler, but provenance and style indicate his authorship. Certain alterations in an unidentified hand are incorporated into the text as printed here. Eisenhower, Dulles, Cutler, and MacArthur were the participants in this conversation.

mosa, and of starting the Korean war. Eden refused to participate in the debate on our side. As a result, Dulles told Eden how disappointed we are in the British repudiating the position they had taken in the communiqué. He asked Eden to remember that the US held back, when charged with imperialism and colonialism, in order to protect the UK and France. However, in return, neither the British nor the French were willing to cooperate and speak up on our behalf when we were unjustly attacked at Geneva. Such conduct on Britain's part would make it very difficult vis-à-vis the Congress. He suggested to Eden that perhaps the US might be playing the wrong game, if the UK was unwilling to give us moral and positive backing. To cap this very frank talk, Eden had the gall to come to the airport to bid Dulles farewell, and be photographed with him, although he never said a word in defense of the US at the Conference.

6. Dulles believes the UK's position is as follows:

a. Prepared to work out jointly with the US a grouping which would have the purpose of preserving Southeast Asia, except that the only part of Vietnam to be covered would be what might be salvaged at the Geneva Conference, and probably Laos and Cambodia (which the British figure the Communists do not mean to take over at this time).

b. Thinking of a division of Vietnam, roughly at the 16th parallel. Dulles doubts whether the Russians would be willing for such a division, and the Vietnamese are strongly opposed.

7. Dulles thought the proposal of the Reds would be along these lines:

a. Evacuate foreign troops.

b. Mixed commission to set up elections.

c. That the Government resulting from these elections would take over. In such an event, all of Vietnam would be lost, except perhaps some enclave.

8. The great difficulty the US faces at this time, so far as Britain is concerned, is that we cannot openly say that the British went back on the arrangement which Dulles had made with them, and that their security plan for Southeast Asia would include, as far as Indo-China was concerned, only what was left of Indochina after the Geneva Conference. To publicize this fact would of course be fatal.

9. The President suggested that Dulles give a chronology of the US actions to Congress in his bipartisan briefing,[2] to show that throughout we had adhered to the principle of collective security—Korea, Nato, bringing Turkey and Greece into Nato, Pakistan-

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[2] See footnote 2, *infra*.

Turkey, Inter-American pact, Pacific pacts. He stated no unilateral intervention by the US, overtly, would be tolerable, because it would place a colonial stigma on the US, and because it would exhaust the US eventually. The President did not want Dulles to undercut or repudiate the UK publicly, but merely show the factual record.

10. In view of what Dulles said, the President was puzzled as to whether WC should be allowed to come or not. Maybe we have got so far apart that it would be necessary to have one final talk with him. As to the French position, matters have so deteriorated that there is no longer any government in France capable of effective dealing. Bidault has some discretion, because the Cabinet is too divided to give him instructions. The Deputies meet today, and the Government may be defeated at any time, because it has no solid majority. On the other hand, there is no one on the horizon who seems capable of taking Laniel's place.

11. Dulles made plain the French had resisted all efforts by the US to internationalize the war, and still did so. The French refused to let the case go to the UN from Cambodia or Thailand, and also refused to give Vietnamese independence at this time, on the ground that a detailed economic treaty must first be worked out. He had repeatedly told the French that the success of the struggle in Indochina depended on certain basic things, such as the freedom and support of the native people. But the French only came to the US for help to France in a time of crisis; they never came to the US, as the British did, when forced to withdraw from Greece, to try to work out a peaceful solution for the free world of a difficult situation. Actually, Laniel was publicly denying that France had ever tried to internationalize the war.

12. There is no French policy at the present time. Bidault individually would like to internationalize the war, but he has no sufficient support. The French never formally asked the US for airstrikes at Dienbienphu. There were one or two oral and informal requests. What the French fear is if the US is brought into the struggle, France will not have a free hand to "sell out and get out".

13. Dulles stated that conditions did not justify the US entry into Indochina as a belligerent at this time. The President firmly agreed. The President commented that our allies are willing to let us pull their chestnuts out of the fire, but will let us be called imperialists and colonialists.

14. We then went over the draft of the statement the President was to make at his press conference, prepared by Dulles. [3] After

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[3] In his prepared remarks at the news conference held that day, the President stated in part:

Continued

breakfast, we adjourned to the President's office, and made a considerable number of modifications in it.

15. The President wanted to get in the statement his convictions that the policy of the US in Southeast Asia was consistent with its actions elsewhere in the world, and with UN principles: to establish the peaceful security of areas by collective action with the indigenous peoples. He said again the US had never considered unilateral intervention solely to help France.

16. Dulles again spoke of how hard it was to sit by, while the British and to some extent the French were now telling other people falsehoods about our position. If the truth were known, Congress would be angry with the British and French.

17. In response to a question by me, Dulles said the US should now proceed to organize the regional grouping as rapidly as we can, and to include as many nations as possible. He commented on the fact that the UK wanted to go ahead jointly with the US in planning on political and military matters *secretly*. He thought this was not an adequate basis for proceeding. The President intervened to say possibly it should be as follows:

a. We should find out secretly the areas in which the British and Americans can agree.
b. We should then proceed to carry out talks with a wider grouping against that background. Dulles agreed with this procedure.

18. Great disappointment was expressed in Eden's current behavior. The only explanation would seem to be that he was treading water, and playing a cagey game, so as not to upset his succeeding Churchill. Dulles said he certainly hoped Butler would be made the successor.

"Meanwhile, plans are proceeding for the realization of a Southeast Asia security arrangement. This was publicly suggested by Secretary Dulles in his address of March 29. Of course, our principal allies were advised in advance. This proposal of the Secretary of State was not a new one; it was merely reaffirmation of the principles that have consistently guided our post-war foreign policy and a reminder to interested Asian friends that the United States was prepared to join with others in the application of these principles to the threatened area. Most of the free nations of the area and others directly concerned have shown affirmative interest, and the conversations are actively proceeding.

"Obviously, it was never expected that this collective security arrangement would spring into existence overnight. There are too many important problems to be resolved. But there is a general sense of urgency. The fact that such an organization is in the process of formation could have an important bearing upon what happens at Geneva during the Indochina phase of the conference.

"The countries of the area are now thinking in constructive terms, which include the indispensable concept of collective security. Progress in this matter has been considerable, and I am convinced that further progress will continue to be made."

For full text of this statement, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954*, pp. 100–102.

19. After the conference broke up in the President's office, I mentioned that the Planning Board, with the approval of Smith and the President, had not taken any action with relation to the regional grouping, lest matters be further confused through some leak of its activities. Dulles agreed that the time was now appropriate for the Planning Board to begin giving consideration to all aspects of regional grouping, on a highly restricted basis, of course.

20. Dulles also mentioned that the President wanted brought up at the Council Meeting tomorrow the question of a moratorium in the H bomb tests.

790.5/5-554: Telegram

The Under Secretary of State (Smith) to the Department of State [1]

TOP SECRET
PRIORITY

GENEVA, May 5, 1954—7 p.m.

Dulte 51. London eyes only Ambassador. Eden has just given me the memorandum which follows:

"In his statement in the House of Commons on April 27, the Prime Minister said:

" 'Her Majesty's Government are not prepared to give any undertakings about United Kingdom military action in Indochina in advance of the results of Geneva. Her Majesty's Government have not entered into any new political or military commitments. My Right Honorable friend has, of course, made it clear to his colleagues at Geneva that if settlements are reached at Geneva, Her Majesty's Government will be ready to play their full part in supporting them in order to promote a stable peace in the Far East.'

"I am ready to recommend that Her Majesty's Government should take part at once with the United States, France, Australia and New Zealand in an examination by the Five Power staff agency of the Indochina and South East Asia situation, both now and subsequent to the Geneva conference, in the light of this statement, including the implications of any Geneva settlement. In addition to military questions, there will certainly be political and economic problems which will require urgent examination. For this purpose we suggest that political and economic experts should be attached to the agency as appropriate.

"This study would be of direct interest to a number of other countries, notably the powers represented at the Colombo conference and Siam. It would be understood that these countries would be informed of the intention to initiate the study, kept suitably advised of the progress of the work and, where appropriate and by agreement, invited to take part.

"A joint public announcement of our intentions would be issued. It would, of course, be essential that this should be carefully considered and agreed upon.

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[1] Repeated for information to London.

"The present terms of reference of the Five Power staff agency would require amendment in order to make clear the circumstances to which the study is to apply."

This represents a number of redrafts since I received his proposed draft note [2] late yesterday evening. We have had lengthy and I believe frank discussions, and I am sure the British understand our position as we understand theirs. The note represents a considerable compromise on their part and includes suggestions made not only by me but by Phleger and Admiral Davis. We believe here that if accepted it will have a good effect on the conference and on the public opinion of both countries, and should produce a coordinated military view, which is now lacking. Eden has suggested informally that the Five Power agency be strengthened by the assignment of some senior and experienced officers. He went so far as to imply that General Templer, who will shortly become CIGS, might take part in the examinations and plans which are proposed. Our recommendation is that you concur in this proposal. If so, please give me your views as to the form of joint public announcement which would be acceptable. This will not be taken up with the French until both London and Washington have concurred.[3]

Smith

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[2] Not found in Department of State files; for a quotation from it, see telegram Dulte 53 from Geneva, May 7, p. 459.

[3] Telegram Tedul 37 to Under Secretary Smith at Geneva, May 6, drafted by Ambassador Matthews, is a summary of the Secretary's remarks to Congressional leaders on May 5 concerning the Geneva Conference and related developments. According to this text, the Secretary had in part concluded that the "US must push rapidly for development of SEA community, probably without Vietnam but hopefully with Laos and Cambodia. British might come in and they might want Burma and India too. We were agreeable to Burma. This community might offer fair chance 'insulate' rest SEA against possible loss of Vietnam."

The Secretary, later during the briefing, read extracts from telegram Dulte 51. "Judd strongly against Eden 'plan', wanted Asians in even without UK and France. Knowland agreed on importance of Asians, as did several others. Knowland said we should have commitments from UK, Australia, New Zealand and others to help us if needed in Korea or Japan, et cetera, if we were to have collective security pact with them for SEA, which he personally favored. Secretary said Burma, Thailand, Philippines plus A.S. would help and that he told Eden he wanted Formosa in if British brought in India. McCormack and Smith supported Secretary on conclusion three [see preceding quotation] and several others did too." (790.5/5-554) Full text of Tedul 37 is printed in vol. xvi, p. 706. For text of the Secretary's briefing, see vol. xiii, Part 2, p. 1471.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 195th Meeting of the National Security Council Held on Thursday, May 6, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 195th meeting of the National Security Council: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Acting Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Federal Civil Defense Administrator; the Deputy Secretary of Defense; the Secretary of the Navy; General Ridgway for the Secretary of the Army; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; Robert R. Bowie, Department of State; the White House Staff Secretary; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

1. *Report on the Geneva Conference and the Indochina Situation* (NSC Actions Nos. 1086-b and 1104-b) [2]

. . . .

After Eden reached Geneva, Secretary Dulles said he had frank talks with him. Secretary Dulles' irritation had been increased by the fact that when the Korean phase of the Conference opened and the United States was subjected to vicious attacks by Molotov and Chou En-lai, not a single representative of a Western power undertook to stand up and defend the policy of the United States or even to keep the historical record straight.

At this point Secretary Dulles read several paragraphs of the memorandum of his conversations [3] with Eden at Geneva. Eden did not undertake to reply to Secretary Dulles' complaints at this time, but subsequently sent a memorandum [4] which constituted a reply to that of Secretary Dulles. The Secretary read portions of the Eden memorandum to the Council. In it Eden made much of India's position and of the desirability of inducing Nehru to take a cooperative attitude, and set forth a proposal for the defense of Southeast Asia.

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[1] Drafted by Gleason on May 8.

[2] Dated Apr. 6 and Apr. 29, respectively. They are included with the memoranda of discussion at NSC meetings held on those dates in vol. XIII, Part 1, p. 1250 and Part 2, p. 1431, respectively.

[3] See footnote 2, p. 438, for an extract from a memorandum of a conversation with Eden, Apr. 30.

To this Eden memorandum Secretary Dulles replied on May 2, [5] stating that he would bring to the President's attention Eden's proposal for the defense of Southeast Asia. There was much in the Eden proposal with which we could agree, said Secretary Dulles; but we clearly believe the danger to Southeast Asia to be more immediate than Eden does.

. . . .

At this point Secretary Dulles said that he had covered for the Council the ground which he had already gone over with the President. Mr. Cutler went to the President's office, and the President entered the meeting at 10:45 a.m.

Secretary Dulles then informed the Council of the latest developments. Yesterday afternoon he had received a message [6] from Under Secretary Smith at Geneva, outlining a proposal by Anthony Eden along the lines of Eden's earlier proposal to Secretary Dulles in answer to the Secretary's letter to Eden of May 2, which had been mentioned earlier. This memorandum of Mr. Eden to Secretary Smith was read by Secretary Dulles to the Council. Eden said that he would agree to recommend that the UK take part at once with the U.S., France, Australia and New Zealand in an examination by the Five-Power staff agency (Singapore) of the Indochina and Southeast Asia situation. These talks would take place in the light of the Prime Minister's statement that the UK would not give any undertakings about military action in Indochina until after the Geneva Conference. Eden's memorandum added that it would be understood that the Colombo Conference powers (Pakistan, India, Burma, Ceylon and Indonesia), plus Thailand, would be kept advised of the progress of the work of the five powers and, where appropriate and agreed, they would be invited to take part with the five powers. A joint public announcement of intentions was also suggested by the Eden memorandum. Secretary Smith had added the comment that this new proposal represented a considerable British concession, and recommended that the U.S. concur in this proposal and agree to a joint announcement. Secretary Dulles also agreed that the new five-power proposal represented an advance in the British position and placed the UK in approximately the same position which it had occupied before it had backed out of the agreement to take part with the nine other powers in an examination of the possibilities of defending Southeast Asia. Thus the British would now agree at least to include Indochina in their planning, and also agree to do something prior to the conclusion of the Geneva Conference. If this represented an advance, the new British proposal entailed certain difficulties. One of them was the proposal to bring in the Colombo powers. Secretary Dulles said that he had already informed Eden that bringing these powers in would raise serious problems for the United States if we could not likewise bring in South Korea and Formosa, which the British opposed. Secretary Dulles thought that the proposal to include Thailand and Burma was excellent. The British also hoped to keep India benevolently neutral.

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[4] Included in telegram Dulte 30 from Geneva, Apr. 30, p. 437.

[5] See telegram Dulte 45 from Geneva, May 3, p. 444.

[6] Telegram Dulte 51, *supra*.

At this point the President strongly reaffirmed his anxiety over any arrangement which was confined to the five white nations and left out the Asian states. Secretary Dulles commented that at yesterday's briefing of the Congressional leaders he had likewise indicated his own opposition to entering into arrangements only with these five powers and not with any of the Asian states themselves. The President suggested, however, that we might cast the purpose of such a five-power examination in such fashion that it would seem to be conferring voluntary aid on a group of Asian states which sought such aid cooperatively.

Secretary Dulles said that he would discuss a reply to this British proposal, at luncheon today following the meeting, with Admiral Radford and Secretary Wilson. On that occasion he said he would also point out the need for machinery which would provide prompt replies to the messages which were flowing in from Geneva. He was going to suggest perhaps that he and Radford and Wilson each designate individuals to work together to get quick action on the Geneva messages. From now on out the Conference must largely be run from Washington.

With respect to the joint public announcement of the five-power arrangement, the President stated that it should be phrased along the lines of the suggestions he had made a few minutes ago with respect to the purpose.

Mr. Cutler asked about the possibility of including the three Associated States and the Philippines in the five-power talks. Secretary Dulles replied that the British would undoubtedly oppose associating Vietnam, Laos and Cambodia in the talks, for fear of getting the UK involved in the hostilities in Indochina.

. . . .

The Vice President then addressed the following question to the Secretary of State: "Am I to understand that we intend to go along with the new British suggestion to use the Five-Power staff agency as the sole vehicle for concerted action in Southeast Asia? Or do we propose, parallel with exploration in the Five-Power staff agency, to continue to explore the possibility of a regional grouping with Asian nations and not merely with the five white powers?"

Secretary Dulles replied by stating his feeling that while he favored accepting the British proposal with respect to the Five-Power staff agency (whose terms of reference would be enlarged and its personnel upgraded), he thought this should only be done as one element in a broader political framework which would include more than the five powers. The Vice President commented that in his opinion the five-power arrangement would be almost as bad for the United States as would be unilateral U.S. intervention, since it would be interpreted by the Asian nations as sheer colonialism.

After the Vice President had repeated his question in slightly different wording, Secretary Dulles again assured him that the Five-Power staff agency would not be the top body, but would be merely a mechanism through which to try to create a broader grouping including Asian states. The broader grouping would be in a position to draw on the intelligence information which was available to the Five-Power staff agency. This, in short, would be a subsidiary body rather than the heart of a coalition. The great question, said Secretary Dulles, was whether the British would accept this view of the function of the Five-Power staff agency.

The Vice President then inquired whether anyone had given thought to bringing General Templer or Mr. MacDonald to Geneva as advisers. The Vice President thought both these men had a keen understanding of the realities of the Communist threat to Southeast Asia.

Secretary Dulles then asked Admiral Radford for his views with respect to the British five-power proposal. Admiral Radford replied that of course the proposal would require a careful appraisal by the Joint Chiefs of Staff. At first glance, however, he thought the British were laying the groundwork for a set-up which would be very much in their favor but not in ours if the proposal excluded Asian nations. Furthermore, he predicted that it would take a very long time to work out the British proposal—so long, in fact, that it would be of no use in meeting the current emergency in Southeast Asia. The Five-Power staff agency was already pretty well agreed on the military requirements for the defense of Southeast Asia, but if it was now proposed to add the political and economic problems, these would take months to resolve.

The President said that he well understood the points Admiral Radford had made, but he nevertheless felt that the psychological appeal of the British proposal was important, despite the substantive difficulties. The Five-Power staff agency would at least provide a good facade behind which the real work could be done by the others.

Secretary Wilson queried whether our real difficulty didn't result from the lack of participation of any Asian nations of large size. Thailand, for example, was too small to carry much weight. The President pointed out that small or not, such nations as Thailand at least provided the semblance of Asian participation.

Secretary Dulles reminded the Council that in Molotov's Geneva speech,[7] referring to the proposed Southeast Asian regional grouping, he had charged that not a single respectable Asian nation would agree to join the coalition. The President replied by asking why no one ever took such occasions as this to stand up and blast Russian colonialism. In any event, said the President, the new British proposal represented such a significant advance from their previous position that the United States should certainly follow it through.

. . . .

Mr. Cutler then said that this seemed an opportune moment to brief the Council on the report which was being made by the Operations Coordinating Board with respect to the possibility of setting up an international volunteer air group for combat operations in Southeast Asia. While, said Mr. Cutler, he thought that the creation of such a volunteer air group came within the existing U.S. policy on Southeast Asia, he felt, nevertheless, that the progress of study of this problem should be reported to the Council. Mr. Cutler said he believed that the air group was to be equipped with three squadrons of F-86 planes.

The President commented that the volunteer air group ought to have in it a certain number of multi-trained pilots so that if, for example, the question of using B-29's ever came up again, such planes could be provided without involving us in the danger of having to use U.S. Air Force pilots in combat operations.

Mr. Cutler then inquired whether it was advisable to ask CIA to provide an intelligence estimate as to the probable Chinese Communist reaction to the creation of such an international volunteer air group. U.S. citizens, of course, might volunteer for combat action, and the question whether this was feasible would presumably be studied by the Department of Defense. Mr. Allen Dulles agreed to provide such an intelligence estimate.

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[7] Probably a reference to the address delivered on Apr. 29 by Vyacheslav Mikhailovich Molotov, Soviet Foreign Minister. Regarding this speech, see telegram Secto 41, Apr. 29, vol. XVI, p. 157.

Secretary Dulles inquired whether the proposed volunteer air group would be under the ultimate control of the President. Mr. Cutler replied in the negative, indicating that we would have no responsibility for the group, which would be developed along the lines of General Chennault's "Flying Tigers" in the second World War. This would mean, said Secretary Dulles, that our volunteers could join the air group without Congressional approval. The answer seemed to be in the affirmative.

With respect to Chinese Communist reaction, Secretary Dulles expressed the opinion that the Chinese Communists would intervene if they wanted to, but the use of a volunteer air group rather than regular U.S. combat forces would enable the Chinese, if they wanted to, to avoid intervention without loss of face.

. . . .

The National Security Council: [8]

a. Discussed the situation with respect to Indochina in the light of an oral report by the Secretary of State on the Geneva Conference and the Indochina situation.

b. Agreed that the United States should be willing, in response to a British proposal, to participate in an examination by the existing Five-Power staff agency (US, UK, France, Australia and New Zealand) of the situation in Southeast Asia (including Indochina); provided that:

> (1) The purpose of such examination is to explore means by which these participating governments may assist the countries of Southeast Asia in a cooperative effort to defend themselves.
>
> (2) It is made clear that such an examination is supplementary to continued efforts by the United States to organize a regional grouping pursuant to NSC Action No. 1086-b or 1104-b, and is neither a substitute for nor the nucleus of such a grouping. [9]

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[8] The lettered subparagraphs constitute NSC Action No. 1106. (S/S-NSC (Miscellaneous) files, lot 66 D 95) Sections of this action unrelated to the extracts printed here are not annotated.

[9] In a memorandum of a conversation held between himself, President Eisenhower, and Secretary Dulles at the White House on May 7, Cutler wrote that among the topics discussed was:

"1. Whether the President should approve paragraph 1b of the tentative Record of Action of the 5/6/54 NSC Meeting, which covers the proposed answer to the Eden proposal. The Secretary of State thought the text was correct. Wilson and Radford preferred the draft message to Smith for Eden prepared yesterday by MacArthur and Captain Anderson, and cleared by the JCS, which included in the Five Power Staff Agency Thailand and the Philippines. Radford thinks that the Agency (which has hitherto been not disclosed in SEA) has really completed its military planning; that if it is enlarged by top level personnel, its actions will be necessarily open to

Continued

c. Noted that the Secretaries of State and Defense and the Chairman, Joint Chiefs of Staff, would recommend to the President means for promptly answering questions raised by developments at the Geneva Conference.

d. Directed the NSC Planning Board to study urgently the implications of the latest proposal on Indochina which the French are contemplating presenting to the Geneva Conference.

e. Agreed that the Operations Coordinating Board should proceed with its proposed further study of an international volunteer air group for combat operations in Southeast Asia for consideration by the Council, including an estimate by the Central Intelligence Agency of probable Chinese Communist reaction.

f. Noted that the Secretary of State had presented to the recent NATO meeting in Paris a statement on the United States position regarding nuclear weapons, a copy of which was made available for the Council files.

g. Noted, as read at the meeting, the statement which the Secretary of State had made to the Soviet Foreign Minister at Geneva in response to the latter's reply to the President's proposals for peaceful uses of atomic energy.

h. Requested the Secretaries of State and Defense and the Chairman, Atomic Energy Commission, with the assistance of the Director of Central Intelligence, to report to the Council as soon as possible and not later than June 3, 1954 on the desirability of an international moratorium on further tests of nuclear weapons.

Note: The action in b above, as approved by the President, subsequently transmitted to the Secretary of State for appropriate action. The action in c above subsequently transmitted to the Secretaries of State and Defense. The action in e above subsequently transmitted to the Operations Coordinating Board. The action in h above subsequently transmitted to the Secretaries of State and De-

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the world; that therefore some Southeast Asian countries should be included in it, and he fears Eden's proposal as an intended delaying action.

"The President approved the text of paragraph 1b, but suggested that Smith's reply to Eden's proposal should make clear the following:

"1. Five Power Staff Agency, alone or with other nations, is not to the United States a satisfactory substitute for a broad political coalition which will include the Southeast Asian countries which are to be defended.

"2. Five Power Staff Agency examination is acceptable to see how these nations can give military aid to the Southeast Asian countries in their cooperative defense effort.

"3. The United States will not agree to a "white man's party" to determine the problems of the Southeast Asian nations.

"I was instructed to advise Wilson and Radford of the above, and have done so." (Memorandum of May 7, attached to a memorandum of May 11 by Robert Bowie, Director of the Policy Planning Staff; PPS files, lot 65 D 101. The memorandum of May 7 is printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 9, pp. 436-438.) The "draft message" Cutler referred to has not been found in Department of State files.

fense, the Chairman, Atomic Energy Commission, and the Director of Central Intelligence.

. . . .

S. EVERETT GLEASON

790.5/5-754: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET
PRIORITY

GENEVA, May 7, 1954—1 p.m.

Dulte 53. Re Tedul 36 [1] and 37. [2] Following background information is pertinent.

First sentence in second paragraph of initial British draft read as follows: "I am ready to recommend that HM should take part at once with the US, France, Australia and New Zealand in a study to be undertaken by the Five-Power staff agency of the implications of such support for an Indochina settlement."

This sentence in latest draft now reads: "I am ready to recommend that HMG should take part at once with the US, France, Australia and New Zealand in a preliminary examination by the Five-Power staff agency of the Indochina and Southeast Asia situation, both now and as it may be after the Geneva Conference, in the light of this statement." [3]

It is possible that British desire initially was to change our own proposal, which was intended primarily to start machinery on military levels for general consideration of Southeast Asia and Indochina situation and to improve bargaining position at Geneva, into a proposition amounting primarily to our committing ourselves in advance to association with and support of any Indochina settlement at Geneva no matter how unacceptable to us. This British position probably based on view that British political situation requires that in advance of Geneva settlement of failure, no step be taken indicating possibility of failure and British planning on that basis.

Feel it is clear from comparison of two versions quoted above that British have yielded considerably with respect to their initial position. In this connection, the shift in British position resulted not only from our persuasion and British fear of rift with US but also from pressure by Australians and New Zealanders.

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[1] Telegram Tedul 36 to Geneva, May 6, transmitted the text of NSC Action No. 1106-b, taken at the NSC meeting on May 6; see the memorandum of discussion, *supra*. (790.5/5-554)

[2] See footnote 2, p. 451.

[3] This draft has not been found in Department of State files.

Although current British press stories have apparently been based on original British effort to commit us in advance to support of any Geneva settlement, it is possible British public opinion might now be shifting somewhat because of President's recent statement.

We think best method of sounding present state of British thinking is to reply to Eden's proposal on basis of provisions contained in subparagraphs 1 and 2 of Tedul 36 [4] as representing US understanding and basis its acceptance of proposal. In light of foregoing do not see why this might not be acceptable to British provided provision subparagraph 1 is not wholly exclusive.

This reply should, of course, be made informally and orally in the hope that it would produce further favorable development in British position before anything is committed to paper on either side.

What I want to emphasize is that the British propose staff examinations by an already constituted agency as a matter of common prudence. They realize the necessity of this, yet they are caught on the horns of a dilemma, resulting on the one hand from the widespread feeling in Britain that in some way or other the Geneva Conference is going to produce agreements which will solve all of the problems of Asia, and on the other the inevitability of criticism that staff examinations and long-range planning should have been under way long ago. They see developments very much as indicated, the second and third conclusions mentioned in Tedul 37. Eden said "at the proper time you will bring in Thailand and we can probably bring in Burma, although this will take some doing." They will of course be very sensitive as to the form of any public statement, for the reasons I have just mentioned. I would like as much latitude as possible in discussing this with Eden, as unfortunately it has leaked in all directions and in many distorted forms. As a matter of fact, press speculation has reached the point now that almost any public announcement might be a letdown. It might be just as well to proceed quietly and unostentatiously with the action contemplated and avoid any public statement.

SMITH

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[4] These subparagraphs are identical to subparagraphs 1 and 2 of NSC Action No. 1106-b.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 196th Meeting of the National Security Council Held on Saturday, May 8, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 196th Meeting of the Council: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Acting Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were Mr. Tuttle for the Secretary of the Treasury; the Chief of Staff, U.S. Army; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; Robert R. Bowie, Department of State; the White House Staff Secretary; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

4. *Position of the United States With Respect to the British Proposal for a Five-Power Examination of the Situation in Indochina and Southeast Asia.*

Mr. Cutler read the Council's previous action on this subject and stated that the question was being reintroduced because certain members of the Council remained convinced of the desirability of including some Asian states, such as Thailand and the Philippines, in the proposed Five-Power arrangement. Mr. Cutler also pointed out that if it were now agreed to add these two states there might be a drift away from the original plan for a regional grouping. This might occur because the Five-Power plan plus Thailand and the Philippines would tend to take the place of the original regional grouping proposal made by the Secretary of State.

Secretary Dulles said that since the original Council action on this issue the alternative had become fairly clear to him in his own mind. It was whether we try to make the Five-Power staff agency the nucleus of a regional grouping for the defense of Southeast Asia, or keep it merely as a subsidiary mechanism and devote our major efforts at the political level to the creation of a regional grouping to include Asian states. The first alternative had been raised at the Pentagon when it was suggested that Thailand and the Philippines be added to the Five-Power staff agency. Secretary Dulles said that he had now become clearly opposed to this course of action. For one thing, the British wouldn't agree to add Asian nations to the Five-Power staff agency, and especially they would oppose adding the Associated States. Accordingly, said Secretary Dulles, he would rather follow the previous NSC action on the subject (NSC Action No. 1106–b), with the understanding that he, Secretary Dulles, should continue his conversations with the other interested powers even if the British would not go along with the attempt to form this regional grouping.

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[1] Drafted by Gleason on May 10.

The President inquired of Secretary Dulles whether he was willing to see the personnel of the Five-Power staff agency upgraded and the importance of the agency magnified and advertised. This possibility caused him worry. Secretary Wilson and Admiral Radford also expressed anxiety over inflating the authority of the Five-Power staff agency. Admiral Radford commented that if the purpose of the British proposal was to study military courses of action with their political implications, we already had sufficient information on this subject. Whatever further work needed to be done could be done quietly right here in Washington, and he recommended against adding political and economic problems to the agenda or upgrading personnel of the agency.

Secretary Dulles said that while he did not want to expose publicly our differences with the British, it was clear that we must attempt to take a bolder course of action than the British are willing to follow—especially with regard to the Associated States. It was impossible to leave them out, and accordingly he would say that if the British want to discuss military matters secretly in the context of the Five-Power staff agency, that was all right with him; but the matter should certainly be handled with secrecy. The President expressed agreement with Secretary Dulles, and the Council then spent some time in a rewording of the previous Council action on this subject.

Secretary Dulles made the point that while the examination which the Five-Power group would make would be secret, the mere fact that we were talking with the other four powers need not be secret.

Admiral Radford said that the British might well use this examination and the Five-Power staff agency as a means of sabotaging the larger project for a regional grouping.

The President summed up this part of the discussion by stating that we ought to tell the British that the existing Five-Power staff agency is altogether inadequate to discuss anything except strictly military matters. Admiral Radford expressed hearty agreement, and said that the whole discussion would do much better in Washington than in Singapore, and through secret and existing military channels.

The National Security Council: [2]

Agreed to amend NSC Action No. 1106–b to read as follows:

> "b. Agreed that the United States should be willing to participate in an examination by the US, UK, France, Australia and New Zealand of the military situation in Southeast Asia (including Indochina); provided that:
>
> "(1) The purpose of such examination is to explore, through secret and existing military channels in Washington, means by which these participating governments may assist the countries of Southeast Asia in a cooperative effort to defend themselves.
>
> "(2) It is made clear that such an examination is supplementary to continued efforts by the United States to organize a regional grouping pursuant to NSC Action No. 1086–b or 1104–b, and is neither a substitute for nor the nucleus of such a grouping."

Note: The above action, as approved by the President, subsequently transmitted to the Secretary of State for appropriate action.

S. EVERETT GLEASON

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[2] The subparagraphs that follow constitute NSC Action No. 1112. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

Eisenhower Library, Dulles papers, "Memoranda of Conversation"

Memorandum of Conversation, by the Assistant Secretary of State for European Affairs (Merchant) [1]

TOP SECRET EYES ONLY [WASHINGTON,] May 9, 1954.

Subject: Indochina

Participants: The Secretary
Admiral Radford
Mr. Anderson, Deputy Secretary of Defense
Captain George Anderson
Mr. MacArthur
Mr. Bowie
Mr. Merchant

The meeting was called at the Secretary's request to discuss the Department's draft telegram to General Smith regarding the Eden five-power proposal.[2] Admiral Radford earlier in the day had indicated his disagreement with certain points notably the indicated possibility of publicizing the meeting of high level military representatives of the five powers in Washington. It had also developed that Defense had already sent to Admiral Davis in Geneva the text of the NSC decision on this matter arrived at Saturday morning,[3] together with Defense comments. At the meeting with the Secretary Admiral Radford did not make available the text of this message. After some discussion in the course of which the Secretary made clear that the contents of the draft cable under discussion dealt essentially with political matters, including the question of publicity or non-publicity for the meeting of military representatives, it was tacitly agreed that a telegram would go forward with one or two minor language changes to meet certain subsidiary points of Admiral Radford.[4]

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[1] The conversation was held at the Secretary's residence.

The conversation then turned to other measures which might be taken in Southeast Asia. The Secretary specifically asked Admiral Radford's and Secretary Anderson's views as to the negotiation of a "chip on the shoulder" mutual defense treaty with Thailand which might be open-ended to permit other adherents and which might provide for the stationing of a detachment of US troops in Thailand. It was made clear that on the latter point the Secretary was thinking of the "plate glass window" theory rather than a force sufficiently large effectively to defend Thailand against invasion. Admiral Radford was cool to the idea and strongly asserted that if Indochina fell to the Communists there existed no local military method of preventing the surrender over a period of several years of the rest of the area by Communist infiltration and (he feared particularly in Thailand) political accommodation. The Admiral stated that the only military solution was to go to the source of Communist power in the Far East, i.e., China, and destroy that power. The point was made that the true source of the power of the international Communist conspiracy was Russia, to which the Admiral assented, making the point that three or four years from now the balance of military power between the Soviets and the US will have shifted in the former's favor because they will then have a sufficient stockpile of nuclear weapons which, although numerically less than the US stockpile, will give them the necessary capability to initiate and carry on general war on favorable terms. The Admiral indicated that he did not believe we would at any point in the future be confronted with as clear-cut a basis for taking measures directly against China as was the case now in Indochina.

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[2] Apparent reference to a draft of telegram Tedul 48, *infra*.

[3] May 8. See the memorandum of discussion, *supra*.

[4] Admiral Radford, in a separate memorandum of this conversation dated May 10, wrote that he had told Dulles it had been his understanding the NSC had decided the talks were to be secret, with no publicity. Dulles had replied that he interpreted the decision to mean that while the talks would be secret, there would be a public announcement that they were being held. According to Radford, Dulles pointed out that even if Under Secretary Smith's advice was followed—to induce uncertainty among the Communist powers by making no public announcement—the decision not to make the announcement would also be political. Radford noted that he had agreed the decision was a political one, but had argued that more thought needed to be given to the choice, particularly with respect to the impact of an announcement on Asian states, and that Dulles had agreed to modify the draft to indicate no decision had yet been made concerning a public announcement. (Department of Defense files)

The Secretary made clear that he was thinking in terms of increasing deterrents to war. He said he thought there was much to the British point of view that if you draw a line in advance then you serve notice on the enemy. At the same time you give him an opportunity to retreat or stay his hand which is not open to the enemy if you intervene in a war already under way. Moreover, the Secretary indicated that by drawing such a line in advance you have a better chance of rallying to your side the maximum number of allies. The Admiral did not give the impression of being impressed by this line of thought.

The conversation then shifted to Congressional attitudes. Secretary Anderson said that from his conversation on Friday with Senators Ferguson and Bridges [5] he believed that no additional funds would be appropriated at this session of Congress for foreign economic or military aid, although he did believe that past appropriations would be carried forward. Admiral Radford expressed the view that this would do very serious damage to existing programs and would require extensive cancellation of existing contracts. Mr. Anderson was inclined to discount this but said that he was asking for an immediate study of the effects.

There was then some discussion of the political situation in Vietnam and the meeting broke up.

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[5] Homer Ferguson of Michigan served on the Senate Appropriations Committee. Styles Bridges of New Hampshire was Chairman of the Committee.

790.5/5-754: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

TOP SECRET
PRIORITY

WASHINGTON, May 9, 1954—8:57 p.m.

Tedul 48. For Under Secretary from Secretary. Re Dulte 51 [2] and 53 [3] Tedul 36 [4] and 37. [5] Eden's proposal reflects considerable progress in providing UK and French participation in some visible form of collective planning prior to conclusion Geneva Conference. But even as modified (Dulte 53) it contains major defects from our point of view. The most serious is that the five powers represented on the Staff Agency are all non-Asian. If this becomes nucleus of military, political and economic planning, this will be resented by Asian public opinion as recalling colonial past, despite provision for possible participation by invitation of certain Asian countries. Communist propaganda machine can be expected to concentrate on absence any Asian charter membership. Incidentally we note absence specific mention Philippines in Eden draft which exclusion would not be acceptable to us.

US admittedly faced by dilemma resulting from (1) our desire quickly to establish common front with Western powers directly concerned with problem defense Southeast Asia for earliest possible establishment collective defense for that area and (2) our desire which UK apparently does not share to avoid planning during Geneva Conference which would imply Associated States have been written off. To counter with argument that France would represent and speak for Associated States would merely underline in Asia existing skepticism as to their independence.

In the light of this dilemma, our objective must be to handle the discussions for a regional grouping in such a way as (1) to move forward rapidly to creation of minimum coalition, if Indochina should be lost, and (2) in so doing to avoid creating impression that Associated States are already written off and (3) to leave question of actual inclusion or exclusion of some or all of Associated States to be decided in light of outcome at Geneva.

In practical application we would propose to pursue two parallel lines concurrently.

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[1] Repeated to London for information, marked "Eyes only Ambassador"; drafted by Dulles and MacArthur.

[2] Dated May 5, p. 450.

[3] Dated May 7, p. 459.

[4] Dated May 6; not printed, but see footnote 1, *ibid.*

[5] Dated May 6; not printed, but see footnote 2, p. 451.

The first would be five-power staff talks concerned exclusively with development military plans (hence our unwillingness to attach political and economic experts to such agency) which plans would be regarded as for benefit of all countries directly threatened by developments in Southeast Asia.

The second line would be the continued effort at political level to construct a collective defense grouping of the Western and Asian countries. As latter assumes definite form, five-power military group would contribute results of its work to entire group.

At its special meeting on May 8 NSC again considered this question and reached decision (superseding that contained Tedul 36) "Agreed that the United States should be willing to participate in an examination by the US, UK, France, Australia and New Zealand of the military situation in Southeast Asia (including Indochina); provided that: (1) the purpose of such examination is to explore, through secret and existing military channels in Washington, means by which these participating governments may assist the countries of Southeast Asia in a cooperative effort to defend themselves. (2) It is made clear that such an examination is supplementary to continued efforts by the US to organize a regional grouping pursuant to NSC Action No. 1086-b or 1104-b and is neither a substitute for nor the nucleus of such a grouping."

FYI Reference in quoted NSC decision to "secret and existing military channels" reflected desire results of work would be secret but not intended preclude public knowledge such planning was under way. End FYI.

Form of public announcement, if any, of five-power military planning activity is of course crucial, particularly from point of view Asian public opinion. Hence we are most anxious to see soonest suggested draft of such announcement. It may prove better, as suggested your Dulte 53, to avoid any formal public statement. Radford favors Washington because the talks here could be less ostentatious and avoid the degree of speculation inevitable in converting to high-level five-power military talks at Singapore.

Meanwhile, we intend to continue consultations here with Ambassadors of those countries with whom I originally talked. I saw Munro of New Zealand May 8 [6] and expect separately to see representatives of Australia, Thailand and Philippines May 10. Since only competent representatives Associated States are now in Geneva, you should talk to them having in mind that present talks are primarily to keep the idea alive pending outcome of exchanges of views with UK including your talks with Eden.[7]

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[6] For a summary of this conversation, see telegram 155, May 10, to Wellington, p. 476.

DULLES

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[7] This telegram was summarized in writing for Eden by Under Secretary Smith in a letter of May 10. For text, see vol. XVI, p. 761. (Conference files, lot 60 D 627, CF 308)

792.00/5–1054

Memorandum of Conversation, by the Officer in Charge of Thai and Malayan Affairs (Landon)

SECRET [WASHINGTON,] May 10, 1954.

Subject: Thailand and United Action.

Participants: The Secretary of State
M. R. Thuaithep Devakul, Chargé d'Affaires ad Interim—Thai Embassy
Mr. Robert Murphy—G
Mr. Kenneth P. Landon—PSA

The Chargé d'Affaires ad interim of Thailand called at the invitation of the Secretary who asked him whether he and his Government were being kept fully informed by the Thai delegation at Geneva regarding developments at the Geneva Conference. Upon being assured that such was the case, the Secretary said that although the U.K. and French Governments were not at this moment prepared to go ahead along the lines of his concept of "united action" it remained nevertheless the policy of this Government to continue conversations with interested Governments looking toward collective action to provide for the regional security of Southeast Asia.

The Secretary inquired whether the Chargé d'Affaires ad interim had been reading in the newspapers regarding possible Five-Power military staff agency consultations in connection with the situation in Southeast Asia. The Chargé d'Affaires said he had seen such references and did not understand them. It was explained to him that the Five Powers (U.K., U.S., France, New Zealand and Australia) had for several years used a military staff agency from time to time to study military developments in Southeast Asia. He added that such a staff agency was not the beginning of "united action" nor were the five nations represented on the staff agency to be regarded as a nucleus for united action. No decision had been reached on current uses, if any, of the staff agency.

The Secretary then asked whether the Thai Government was moving ahead with its plans for enlarging its Armed Forces and referred to a recent conversation held by the Chargé d'Affaires with officers of the Department on this subject.[1] The Chargé d'Affaires affirmed that he had not only informed his Government at Bangkok but had also taken up the subject directly with the Thai Foreign Minister and the Thai Ambassador to the United States who are at Geneva, and he believed that a formal request by the Thai Government for U.S. assistance for an enlarged Thai Army would be made soon.

After expressing gratification with this development the Secretary asked the Chargé d'Affaires if he had any questions. He asked whether the Secretary expected the French and the British to join in united action at a later date. The Secretary said that he did not hope for very much from the French at this time because of their emotional state at the fall of Dien Bien Phu; that there was a possibility the present French Government would fall, but that if the present Government was sustained he might hope for some French support.

Mr. Devakul asked about Congressional support for united action and the Secretary explained that any collective security pacts or agreements would, of course, be referred to Congress. As Mr. Devakul departed the Secretary indicated that he wished these conversations to continue from time to time and invited the Chargé d'Affaires to seek an appointment whenever he had a question.

While walking to the front door Mr. Devakul said to Mr. Landon that he wished he had asked one more question; namely, whether the Secretary would consider a mutual security treaty at this time with Thailand, adding that in his estimation such a bilateral agreement was necessary, especially in view of British and French attitudes.

JFD[2]

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[1] Not found in Department of State files.

[2] Secretary's initials indicate his approval of the memorandum.

751G.00/5-1054

Memorandum of Conversation, by the Officer in Charge of Burma Affairs (Blancké)

CONFIDENTIAL [WASHINGTON,] May 10, 1954.

Subject: Southeast Asia and the Geneva Discussions

Participants: James Barrington, Ambassador of Burma
Robert D. Murphy, Deputy Under Secretary
W. Wendell Blancké, PSA

Mr. Murphy invited Ambassador Barrington in for an exchange of views on the problems of the Geneva Conference and the situation in Southeast Asia as a result of developments in Indochina. During the half-hour interview the following topics were discussed.

Five-Power Meetings

In opening Mr. Murphy noted that press stories on "five-power meetings" had been rife, and that many of these had been inaccurate. We wished to assure the Burmese Government that there had been no meetings of the five-power group in connection with recent Asian events, nor was there any intention on the part of that group to decide the destiny of Southeast Asia without reference to the governments of the area. In preparation for Geneva there had, of course, been exchanges of views at the strictly military staff level, for example at Singapore, but these had been operational discussions and in no way superseded the Secretary's idea of united action. This we wished to emphasize.

Partition: Coalition: United Action

Mr. Murphy went on to say that the French, in their eagerness to reach a solution for Vietnam, may not now fully realize the hard realities of the Communist position, which position will unfold in time. Sooner or later, however, the French will have to face certain brutal facts. In our view the two alternatives of the moment appear to be partition or coalition.

Partition concerns the Vietnamese themselves, and any solution on such lines must conform to their aspirations. Even recognizing that the exploitation of Vietnamese nationalism by the Communists has confused the picture, we doubt that the Vietnamese desire partition. As for coalition, we are under no illusions but that that would lead to Communist domination of Vietnam, wherefore we question whether the French would accept it.

Thus, when France comes to grips with the realities of the situation, we may still have to seek united action grouping. The Secretary has been talking to chiefs of mission from the area—among them those of Thailand and the Philippines—with the idea of exploring further some form of grouping of the Southeast Asian countries concerned. Since Burma is one of these countries, we should like some light on official Burmese thinking.

General Burmese Views on Indochina: Independence

Begging leave to speak frankly, Ambassador Barrington said the general feeling in Burma is that the war in Indochina is, or was until recently, a colonialist struggle; and that now, to put it bluntly, it is a struggle between two imperialisms—the French and the Chinese.

Mr. Murphy interposed that what we want to get away from is the idea that the U.S. is associated in a fight for colonialism. Our record clearly shows our anti-colonialist position—for example, in the Philippines, and in our support of Indonesian independence. But, we are also affected by larger strategic considerations—in Europe—and must deal with the other powers as they are, including France. We approve of France's fight against the Communists, but that does not mean we approve the way they have administered the situation in Indochina.

Barrington replied that of course he and responsible Burmese officials appreciate that, but he had been presenting the general view of his countrymen. The Burmese attitude in general is that it would not want to see Indochina exchange one imperialism for another, or go from the frying pan into the fire. What Burma wants is to see full independence for Indochina.

Mr. Murphy assured the Ambassador that that is our view, without reservation; and he added that, as Barrington knew, the Chinese type of imperialism did not stop with limited objectives. Barrington wryly replied that Burma well realized that.

Later in the conversation Mr. Murphy emphasized that we want the Burmese Government to understand that we are doing our best to insure complete independence for Indochina. Naturally, the French dominate the internal situation and we have been in no position to dictate, but we are trying to work things out. Our position is based on complete independence, and to prevent the exchange of one colonialism for another.

Burma's Position on United Action

Ambassador Barrington asserted that it would be very difficult for his Government to join any contemplated grouping, for three principal reasons:

a. Internal Situation: Barrington referred to Burma's recent history with its native Communist insurgency, and said that while his Government now had the upper hand it was still militarily and economically weak, and needed time to set its own house in order. That was one reason why it would hardly be interested in joining any "grouping." And if it did join, Burma could make no military contribution.

b. Frontier with China: Also, and most importantly, Burma had to take into account its approximately 1000-mile common frontier with Red China. Mr. Murphy interposed: is it better to stand alone?—to which Barrington replied that his country was in no position to provoke Red China.

Mr. Murphy explained that the U.S. no longer believes in the avoidance of provocation as a policy. We now realize we are dealing with chess players, and if the Communists want war they will create the necessary incidents without respect to provocation. Our policy, therefore, is now to minimize worry about provocation and do what we consider right and necessary; otherwise we should be paralyzed, which is what the Communists want. We should be sitting ducks, to be picked off one by one.

c. Chinese Aggression not Clear-cut: The third factor influencing Burmese thinking was that there was no Chinese aggression in the strict sense, yet. The line between clear-cut aggression and subversive infiltration was not clear, nor was it clear just who—China or France—was grabbing what. The difference between subversion and manifest invasion tended to confuse Burmese thinking: Burma would not want to see another Communist government in the area, but the distinction became harder when the method was subversion rather than clear aggression.

Barrington noted that in 1950, on the Korean issue, Burma had come in for collective security even though its native Communists were on the rampage at home and there was risk in doing so. This was because the Burmese Government, and the man in the street, could clearly see there was a case of [North Korean] [1] aggression. If there were an attack on Thailand, Burma's reaction would also be different to that on Indochina, as aggression would be clear. But even there, if the method were subversion, the issue would be "fuzzed." And to Burma, there was no clear-cut issue in Vietnam.

These three factors—Burma's internal situation, its frontier with Red China, and the question of unclear aggression—made the problem very difficult for Burma, Barrington said.

Laos and Cambodia: Dramatizing Independence

In discussing the complexity of the situation Mr. Murphy remarked that the problems in Laos and Cambodia seemed separate from those of Vietnam, and might call for a separate solution and a different approach. In this respect we were speculating whether United Nations action might not be usefully taken—for example, a Peace Observation Commission. We had been giving this some thought, in any case.

Barrington did not comment at the time but he later spoke of the need to dramatize any further gestures of independence—in Laos and Cambodia, and in Vietnam as well. The present French method of "nibbling" did not make any real impression; the French had missed the boat in Vietnam. As an example of what he meant Barrington cited the manner in which Burma had dramatized its independence in 1948: the handing-over had taken place at 4:20 in the morning, the hour picked by the astrologers. The idea of bringing in astrologers, while it might be amusing to the Western mind, had successfully clinched the bona fides of independence with the villagers, who knew that this had been a custom in the time of the Burmese kings and realized that the British would never have thought of such a move, or held the ceremony at such an outlandish hour. The latest move from Paris regarding Indochina's independence, on the other hand, had lacked any drama whatsoever and would have no real impact in Southeast Asia.

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[1] Brackets in the source text.

Mr. Murphy asserted that independence was indeed the key issue, and he asked if Ambassador Barrington thought a dramatic gesture, say in Laos, would still be effective. Barrington thought it would, and added that if something spectacular were not done soon the poison of Vietnam might spread to Laos and Cambodia.

Burma's Lesson

Barrington went on to say that Burma had learned that where there was real independence Communism faded out: India and the Philippines were examples, and Thailand too, where Communism was no real problem. The Burmese independence movement had grown out of the wartime Resistance, in which of course Communists participated. When the British returned after the war and tried to reestablish their rule, the resistance continued. As a result, the first Burmese Government had Communists in it. But not only the Government but the people soon saw through the ends these people served, and they kicked them out [into insurgency]. [2] Barrington stressed that it was the people who had done this: the Government could not have got rid of the Communists if the people themselves had not seen through them.

Closing Note

In closing Barrington said he well realized the difficulties of the U.S. position, and Mr. Murphy noted that the tie-in with Europe complicated things. On rising Mr. Murphy thanked Barrington for his frank views and said we must keep in touch with the Ambassador to make sure his Government knew and understood our position. We hoped Burma would not close the door against further study of some form of united action.

Brief Press Contact

After the interview Ambassador Barrington was approached by several newsmen. They first asked if the Colombo Conference had been discussed, to which the answer was no. Barrington said the Deputy Under Secretary had merely wished to fill him in on the U.S. position in Southeast Asia. The only other question was: had Burma been invited to participate in united action? Barrington said it had not. [3]

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[2] Brackets in the source text.

[3] In a brief memorandum to Murphy, dated May 13, Drumright wrote that in accordance with the Secretary's wishes a member of the staff of the British Embassy had been given an oral summary of the conversation above. (751G.00/5-1154)

751G.00/5-1054

Memorandum of Conversation, by the Officer in Charge of Philippine Affairs (Bell)

SECRET WASHINGTON, May 10, 1954.

Subject: Conversation with Philippine representatives with respect to united action and consultation under the terms of the United States-Philippine Defense Treaty.

Participants: The Secretary
General Carlos F. Romulo, Personal Representative of President Magsaysay
Mr. Emilio Abello, Philippine Chargé d'Affaires a.i.
G—Mr. Murphy
PSA—Mr. Bell

General Romulo and Mr. Abello called on the Secretary at 11:30 a.m., May 10, at the Secretary's request.

General Romulo referred to an earlier conversation which he had had with Mr. Murphy and an *aide-mémoire* which he had left with Mr. Murphy [1] requesting that the United States consult with the Philippines under the terms of the United States-Philippine Mutual Defense Treaty. He stated that the five power conference, which according to the *New York Times* was being held in Singapore, would have a bad effect in the Philippines and throughout Asia because Asian states were not represented. The Secretary told General Romulo that this story was incorrect—that no such conference was being held. The Secretary later said that he might be asked a question on this matter at his press conference tomorrow and that, if so, he would deny the report of the conference.

General Romulo said that it was very important for domestic, political reasons that the United States agree to hold consultations looking to implementation of the Mutual Defense Treaty. He suggested that discussions as to the role which the Philippine armed forces would play in the event of an attack should be the subject of consultation between a panel appointed by President Magsaysay and our Military Mission in the Philippines. He stated that these discussions would prepare the ground for further consultations between Secretary Wilson and President Magsaysay on May 24. [2]

The Secretary stated that the United States was prepared to consult under the terms of the Mutual Defense Treaty and that, in fact, we believe such consultation is highly desirable. He said that he thought the discussion between Secretary Wilson and President Magsaysay would be useful and that he would discuss the matter with Secretary Wilson before the latter's departure.

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[1] Murphy's memorandum of this conversation, with attached *aide-mémoire*, is not printed here. (796.5/5-354)

[2] Telegram 2665 from Manila, May 25, contained an account of Secretary Wilson's meeting with President Magsaysay. (796.5 MSP/5-2554)

The Secretary stated that he held little hope for any constructive results at Geneva. He pointed out that the Communists would not accept any effective international control.

The Secretary suggested that it would be helpful if the Philippines would recognize the Associated States. General Romulo was noncommittal but stated that, before making a decision, the Filipinos would like to see the text of the proposed treaty between France and Viet-Nam. The Secretary stated that the political treaty was completed but an economic treaty was still under consideration and that the political treaty was secret. He said that he had spoken to Bao Dai when in Europe and had found him satisfied with the agreement. The Secretary said that he believed the treaty with Laos was satisfactory.[3]

The Secretary stated further that we were still actively interested in the further development of united action in Southeast Asia and that he expected the Philippines would play an important role, but that we wanted to await developments in Geneva and Indochina before taking further steps, with respect to military action.

The Secretary re-emphasized that the Philippines would be fully informed of any steps taken or conferences held with respect to united action or defense measures in Southeast Asia.

General Romulo stated that he would immediately inform President Magsaysay of the substance of this conversation.

After leaving the Secretary's office, General Romulo told Mr. Bell that President Magsaysay would be delighted with the Secretary's statement that we would be glad to consult under the terms of the Mutual Defense Treaty.

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[3] A French-Laotian Treaty of Friendship was signed on Oct. 22, 1953; for text, see *L'Année Politique, 1953*, pp. 582–586. France and Vietnam initialed two treaties on Apr. 28, 1954, one on independence and one on Vietnamese association with France. The treaties were not ratified. For texts, see *ibid., 1954*, pp. 572–573.

790.5/5-1054: Telegram

The Secretary of State to the Embassy in New Zealand [1]

TOP SECRET WASHINGTON, May 10, 1954—7:43 p.m.

155. Limit distribution. Following is summary, not yet cleared with Secretary, of his talk with New Zealand Ambassador on May 8. (Memo follows.) [2]

On U.S. plans to deal with situation Southeast Asia, Secretary said his May 7 speech [3] which had approval of President probably gave clearest picture our present thinking.

U.S. feeling, contrary to that of British, was that action limited to military discussion within framework Five Power Staff Agency would be too Western in flavor. Exclusion of Asians would have bad repercussions. Vietnamese would consider themselves abandoned. U.S. has no objections to Five Power discussions if desired by others and would prefer Washington as meeting place, but in addition Secretary believed we should continue to plan for and exchange views on broader political association. U.S. does not share U.K. views that talks with Associated States would have undesirable implications. [4] In short Secretary thought Five Power talks o.k. but this should not stop exploratory talks with Thailand, Philippines, Associated States. Burma inclusion desirable; Indonesians should be kept informed. Secretary said U.S. continues work closely with British but reserves right talk with Associated States for foregoing reasons.

Secretary said we do not exclude possible participation in the Indochina war if proper conditions existed, if French and people of Associated States wanted us, and his speech had advanced this suggestion by analogy with Korean situation. If Communist conditions at Geneva are as humiliating as expected Secretary said French may reconsider their position on internationalization of the conflict. Secretary said he wanted French to know that there were conditions under which we would be prepared consider participation.

Replying to Ambassador on areas to be held if Indochina situation deteriorates rapidly, Secretary said he thought Thailand of greatest importance and that Thais should be brought in on all plans. With our help Secretary thought Thais not so vulnerable to subversion.

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[1] Sent also to Geneva as Tosec 121 and repeated for information by pouch to London and Paris.

[2] For text of Bonbright's memorandum of conversation, dated May 8, see vol. XIII, Part 2, p. 1512.

[3] For text of the Secretary's radio and television address, "The Issues at Geneva", see Department of State *Bulletin*, May 17, 1954, p. 739.

[4] According to Bonbright's memorandum, the Secretary had stated that the United Kingdom feared that such discussions would have undesirable implications, and that they might suggest the possibility of involvement in the Indochina war.

Secretary said we would not support any proposal tantamount turning over Indochina to Communists, would maintain full liberty of action and would encourage and assist such indigenous forces as might remain.

Secretary felt military talks with Thais and Filipinos would be useful. Talks with Associated States would be for purpose of maintaining contact and morale, rather than for military purposes. Secretary asked Ambassador to invite Webb to Washington for further talk when he arrives U.S. on way to New Zealand. [5]

Similar conversation took place with Australian Ambassador on May 10. [6]

Wellington repeat to Canberra.

DULLES

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[5] Bonbright's memorandum summarizes a portion of the conversation not included here concerning organization as follows:

"The Secretary then said we should now be making concrete studies in order to see what all of us might agree on together. Should we have an organization like NATO or should the arrangement be more informal? What countries should be included in it? He felt that if Indochina went down the drain it would be difficult to insulate the rest of the area unless we had plans in advance of what we would do." (751G.00/5-854)

The memorandum does not indicate response by Ambassador Munro to these questions.

[6] Raynor's memorandum of this conversation is filed under 751G.00/5-1054.

In telegram 262 from Canberra, May 10, the Embassy informed the Department of State of the current Australian position concerning a regional grouping and five-power talks:

"5-power staff agency should be used; talks to begin soonest; Washington believed best location; Asians should be kept informed per reference telegram; any public announcement should refer only to support of conference settlement but actually talks should go further.

"Australians have seen draft UK statement re keeping informed countries participating Colombo Conference plus Siam. Australians think addition Philippines essential." (396.1 GE/5-1954)

790.00/5-1054: Telegram

The Ambassador in the Republic of China (Rankin) to the Department of State [1]

SECRET

TAIPEI, May 10, 1954—11 p. m.

610. Taipei's 558 [2] and 574 [3] to Department. Foreign Minister today called our attention to May 8 United Press despatch from

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[1] Repeated for information to Geneva, Manila, Saigon, and Seoul.

[2] Not printed.

[3] Dated Apr. 19, p. 429.

Geneva quoting Peiping spokesman Huang Hua as having likened French proposals for ending Indochina War to those advanced by Chiang Kai-shek for settlement in China prior to Red victory there. Yeh thought this point well-taken and that acceptance of Communist views on Indochina would lead to still another Red success.

Minister requested urgently that United States keep his government currently informed of developments regarding Southeast Asia defense pact. He stressed Chinese Government's direct interest in that area, due particularly to presence of 10 million Chinese who make up large part of merchant and artisan classes there. Understanding and support of this group would be important to success of and defense arrangement and would depend in large degree on whether possible for Chinese Government to cooperate actively.

Prospective inclusion of Philippines in Southeast Asia pact, Foreign Minister feared, would lessen chance of its taking leadership of, or seeking participation in regional arrangement with Formosa and Korea. He considered, therefore, particularly important United States should encourage actively a pact between Korea and Chinese Governments with eventual participation of Japan. He described President Rhee as chief obstacle to latter feature of such arrangement and hoped United States would work on him. While immediate adherence of Japan might be unfeasible for various reasons, Minister believed without United States backing and eventual Japanese participation, any East Asia defense arrangement would have little value.

Foreign Minister then inquired regarding status of proposal bilateral United States-Chinese security pact. Coming on top of observations in preceding paragraphs, he strongly implied Chinese Government felt very much left out of recent United States collective security plans. [4]

RANKIN

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[4] In telegram 919 to Taipei, June 5, repeated for information to Seoul and Tokyo, the Department of State commented: "While Department does not wish intervene actively, recognize certain desirable features of such a pact and perceive no objection provided it is negotiated at initiative of governments concerned." The telegram was drafted in the Office of Chinese Affairs, cleared in the Office of Northeast Asian Affairs, and approved for transmission by Drumright. (790.00/5-1054)

Eisenhower Library, Dulles papers, "Memoranda of Conversation"

Memorandum of Telephone Conversation, by the Secretary of State [1]

TOP SECRET [WASHINGTON,] May 13, 1954.

Ambassador Spender called to say that he had been told by Casey that Casey had told Eden that he felt that the five-power military conference should be gotten under way at once, preferably meeting at Washington. He thought also that a political conference should be convened with as much Asian participation as possible, and that the exploratory talks should be concluded within not less than two weeks. The main gist of the report was that the Australians were concerned over the delay in "putting heat" on the United Kingdom.

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[1] Drafted by the Secretary personally.

Editorial Note

During the 197th Meeting of the National Security Council, held Thursday, May 13, 1954, the Secretary reported on the Geneva Conference and the situation in Southeast Asia. A summary of his remarks concerning a regional grouping follows:

> "Secretary Dulles stated that as regards the effort to obtain the regional grouping, he was carrying on an operation with lots of scenery but not very much substance. We were having to mark time until we got the British reaction to our counter-proposal with regard to the Five-Power conference. No reply had yet come from Eden, but the hints which have reached us do not provide a good augury. Meanwhile, said Secretary Dulles, he had talked with the Ambassadors of Thailand and the Philippines. Secretary Dulles expressed the hope that Secretary Wilson's current trip to Manila would help to produce a better feeling on the part of the Filipinos. They believe, quite erroneously, that the five powers have already begun negotiations at Singapore and that they have been deliberately left out." (Memorandum by Gleason dated May 14; Eisenhower Library, Eisenhower papers, Whitman file)

On May 13, Ambassador Moekarto of Indonesia and Deputy Under Secretary Robert Murphy discussed, at the latter's request, "united action" and the situation in Indochina. Record of the talk concludes as follows:

> "In conclusion, Ambassador Mukarto confirmed that Indonesia would not be interested in joining a regional grouping of Asian nations at present though he thought it might be possible after elections if the Moslem parties (which would presumably win the elections) could establish some solid economic gains.

"During the conversation, Mr. Murphy referred to the distorted and inaccurate reports of high-level military discussion at Singapore by the UK, France and ANZUS powers. He said there had been no such talks held anywhere. He said there had long been low-level consultations among military representatives at Singapore but that these were not related to the proposal for 'united action' of a political-economic-military nature in the Southeast Asian area.

"In departing, Ambassador Mukarto expressed his appreciation for the opportunity for an exchange of ideas." (Memorandum of conversation by Francis J. Galbraith, Officer in Charge of Indonesian and Pacific Island Affairs; 751G.00/5-1354)

751G.00/5-1354: Telegram

The Chargé in Vietnam (McClintock) to the Department of State

TOP SECRET SAIGON, May 13, 1954—1 p. m.

2374. I have no recourse but to dissent, with great respect, from concept set out in Department telegram 2238 [1] (sent Paris 4007) that "United States must push rapidly for development of Southeast Asia community, probably without Vietnam, but hopefully with Laos and Cambodia". Thought is added that such a community, including Burma, might offer fair chance to insulate remainder of Southeast Asia against possible loss of Vietnam.

Most regrettably there is no human resource in Cambodia nor Laos, on which to build a bulwark against Communist infiltration or aggression. Furthermore, in case of Cambodia, there is no geographic barrier against such aggression. Furthermore, once Communists have possession of complex of modern airfields in Vietnam, there is no barrier to the successful use of airpower against all of Southeast Asia. It will be recalled that Singapore was taken in 1940 by Japanese using Saigon as a base.

Only warlike people in Southeast Asia are the Vietnamese and particularly those residing in Tonkin. To leave this manpower base in hands of triumphant Communists and with nucleus of victorious Viet Minh troops, is merely to invite disaster.

Much as I am opposed to partition of Vietnam, I would rather resort to that desperate recourse, retaining above-all, important airbase at Tourane, than to contemplate building ramparts of sand in Cambodia and Laos.

McCLINTOCK

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[1] Not printed.

790.5/5-1354: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET
NIACT

GENEVA, May 13, 1954—8 p. m.

Dulte 66. S/S-R pass Defense. I made an oral presentation to Eden of your Tedul 48 [1] and followed it by an informal written summary. [2] British accept Washington viewpoint that we should move forward concurrently on two parallel lines, and are prepared at once to make a start with the five power staff discussions, which they understand will be exclusively concerned with the development of military plans. They believe we should not commit ourselves, nor appear to commit ourselves, at this stage to the exact composition of the wider group which we would hope to eventually discuss Southeast Asia security arrangement; in other words, the second of the two parallel lines of action proposed by your Tedul 48. They think it would be useful to inform and consult the Colombo powers, Thailand and the Philippines, and possibly others, about the work of the five power staff. They doubt that Singapore is suitable, but also question Washington as the location, and suggested as an alternative that the first meeting might be in London.

We concur with all but the final suggestion. Washington is without question the most suitable place. However, I think the suggestion made to me by the Australian and New Zealand representatives, who have been our strong supporters in this entire matter, is worth considering; that is, that while Washington is the appropriate location for staff discussions, it might be valuable to have the first meeting at Pearl Harbor. To us this has an added significance, because it is the headquarters of the Commander-in-Chief Pacific.

The British now take the view that a joint statement is not necessary and, in fact, not particularly desirable. As I mentioned before, so much has already been said that any agreed public statement might be an anti-climax. The Australian and New Zealand representatives here, on the other hand, have felt that some sort of announcement would be necessary. Eden and I together worked out the following, which the British could accept and which looks reasonably satisfactory to us in case a statement becomes necessary:

> "Pending wider discussions of measures to support a stable peace in Southeast Asia, the Governments of Australia, France, New Zealand, the UK and the US have agreed that their military representatives should undertake an examination of the situation in Southeast Asia.

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[1] Dated May 9, p. 466.

[2] See footnote 7, p. 468.

"This examination will be undertaken by existing staff agencies formed some time ago for the study without commitment to problems of common concern.

"The problems to be reviewed will be of interest to a number of other countries, notably the powers represented at the Colombo conference, Siam, the Philippines, etc. These countries have been informed of the intention to initiate this study and, during the progress of the work, will be consulted and kept informed."

I assume that Washington will now take the initiative in getting these staff talks under way, but I would like to be informed at the earliest possible moment so that I can tell Eden. It is a purely technical exercise which must be done as a matter of prudence, and will be the beginning, I believe, of something of much greater importance.

SMITH

790.5/5-1354: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET
NIACT

GENEVA, May 13, 1954—7 p. m.

Dulte 67. Eyes only Secretary. Supplementing my Dulte 66, and for your information only, here is the full text of Eden's note, which gives the British point of view in detail and which shows how far they have come in this matter:

"My Dear Bedell: Thank you for your letter of May 10 giving me a summary of the messages which you had received from Washington yesterday and which we discussed at noon.

"I enclose a copy of the text for the joint statement which we agreed would be suitable for use if it is found necessary to make a public statement. Meantime you may care to know that in reply to questions in the House yesterday, the Minister of State used the phrases which you and I agreed upon, and my feeling is that no further public statement is now necessary.

"As regards the substance, I think you agreed with me that we should make a start with the Five-Power staff talks and should not commit ourselves or appear to commit ourselves, at this stage to the exact composition of the wider group which we hope would eventually discuss Southeast Asia security arrangements.

"My strong view remains that it would be fatal at this stage to begin discussions with a Ten-Power group. To do this before the results of the conference are known would destroy any prospect of bringing along the Asian Powers who really matter.

"What I do think will be useful is that we should inform and consult the Colombo Powers, Siam and the Philippines, and possibly others, about the progress of the work of the Five-Power staffs, in the hope that by the time we can see what prospects of Geneva are, they will be willing to take an interest in security arrangements of a wider character. We on our side shall also keep the Colombo Powers fully informed of the developments at Geneva and will do our best to bring them along.

"This is, I am convinced, the best way of trying to bring Asian opinion along with us. As you personally are well aware, that has been one of my principal anxieties from the beginning. I do not understand how your Chiefs of Staff can have obtained a different idea of my purpose.

"There is one further point. We discussed the question where the Five-Power staff agency should have its first meeting. I had originally thought that Singapore would be the most suitable, but you thought it should start in Washington. I have now heard from our people in Singapore that they rather doubt whether Singapore is in fact suitable from the point of view of Asian opinion, and they throw doubt on Washington for this same reason. I wonder whether an alternative would be to have the first meeting in London?

"I am available at any time in case you would like to discuss this further. Yours ever, Anthony."

SMITH

751G.00/5-1454: Telegram

The Chargé in Pakistan (Emmerson) to the Department of State

SECRET KARACHI, May 14, 1954—1 p. m.

915. Acting UK HICOM [1] states GOP agreeable participate supervisory arrangement for Indochina on condition all parties including Communists sign agreement. Pakistanis apparently not averse contributing troops for such purpose.

Murray also says GOP approached by UK on SEATO and likewise favorably disposed although points out Pakistan Middle East responsibilities at present lack military strength prevent sizeable contribution SEA defense. Nevertheless position East Bengal denotes important Pakistan interest SEA. Murray emphasized UK policy is to keep Indochina supervisory arrangement and SEATO entirely separate.

Embassy assumes Department desires UK carry ball, endorses Delhi's request information on US policy this matter (Delhi 1676 to Department) [2] would be especially helpful know Department attitude toward Pakistan role.

EMMERSON

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[1] J. D. Murray.

[2] Not printed.

790.5/5-1454: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

TOP SECRET
NIACT

WASHINGTON, May 14, 1954—3:34 p. m.

Tedul 67. Dulte 66 [2] indicates British accept view we should move forward concurrently on two parallel lines, and they prepared to proceed immediately at least along line of military staff discussion. Assume you will be reporting more fully on British views re other parallel line of procedure.

Problem of location of talks appears to us to be closely related to problem of public impression we desire create by having talks. We strongly believe talks should be held with no publicity whatsoever. We glad British now concur that no public statement of any kind necessary and we strongly believe talks should not be initiated in manner which attracts attention and gives impression of convocation of a special conference.

As indicated above, appearance of convocation of special conference undesirable. We therefore are opposed to London or Pearl Harbor. (Spender tells me Casey prefers Washington.) Our position remains firm that talks should be Washington where highly qualified representatives already located and talks could be gotten under way here immediately without any fanfare.

We believe prior opening five power talks Washington it desirable inform confidentially Thailand and Philippines and perhaps others regarding background these talks and their objective which is to explore means by which five powers can assist countries of SEA in cooperative effort to defend themselves. UK could similarly inform Colombo powers. Subsequently we could decide in light of progress made particularly in getting on with SEA regional arrangements, extent to which participation in military talks by other Asian countries, notably Thailand and Philippines, is desirable.

FYI, our feeling is that if talks were held in London even only to start with this would suggest that UK view non-participation Indochina war had prevailed and that Indochina tacitly written off in current military planning. At this stage, this likely have particularly damaging effect French political situation.[3]

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[1] Drafted by MacArthur and William D. Fisher of the Office of Western European Affairs and cleared by MacArthur with Dulles and Admiral Radford. Although the source text is not specifically marked for the attention of Smith, Teduls generally were routed to him as head of the U.S. Delegation.

[2] Dated May 13, p. 481.

DULLES

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[3] Telegram Tedul 68 to Geneva, May 14, drafted by MacArthur, reports:

"Ambassador Spender called on me [Dulles] yesterday to say he had been told by Casey that Casey had told Eden he felt that five-power military conference should be gotten under way at once preferably meeting at Washington. He thought also that a political conference should be convened with as much Asian participation as possible and that exploratory talks should be concluded within not less than two weeks. Main gist report was that Australians were concerned over delay in 'putting heat' on UK." (751G.00/5-1454)

Editorial Note

On May 14, MacArthur made notes of a conversation between the Secretary and Allen Dulles. An excerpt from these notes follows:

"5. Mr. Dulles made reference to Ambassador Donovan's proposal regarding the building of an airfield in Thailand. He said he knew the military objected to assigning and tying down a Wing in Thailand, but he thought we should go ahead and build an airfield, leaving open the question of the planes that would use it. This action, he felt, would bolster the morale of the Thais in their continued independence and security.

"The Secretary expressed general agreement. He added that he had talked to Admiral Radford about this question, and Admiral Radford had indicated a strong reluctance to do much with respect to Thailand. The Admiral had expressed the view that we should go after the seat of Communist power in the Far East, namely, China. If we did not do this he felt that measures we took around the periphery of Indochina would be of little avail. It was pointed out to Admiral Radford that whereas Asiatic peoples might be very glad to receive the support of the US to enable them to maintain their integrity and independence, they would be reluctant or opposed to joining with the US in an attempt to destroy Communist power in China. Psychologically, any efforts we made in this direction would probably result in the Asiatics feeling that we were trying to use them in our efforts to get at China rather than that we had a general interest in supporting their independence.

"6. Reference was made to the Cabinet meeting this morning and a question which arose there as to whether we could not stake out a line which if the Communists crossed would result in war. The difficulty in staking out such a line, with the Communists operating through subversion from within, was discussed. The Secretary said he had been turning over in his mind the possibility of negotiating security treaties in the immediate future with Formosa and Thailand. These treaties would in a sense stake out a position with respect to these two countries. Mr. Allen Dulles indicated that he thought this possibility was worth considering." (751G.00/5-1454)

For documentation concerning Ambassador Donovan's proposal, see the compilation on Thailand scheduled for publication in Part 2. The remainder of the notes quoted above are printed in volume XIII, Part 2, page 1562.

790.5/5-1754: Telegram

The Under Secretary of State (Smith) to the Department of State [1]

TOP SECRET GENEVA, May 17, 1954—4 p. m.
PRIORITY

Dulte 77. Reference: Tedul 67. [2] In reply to question whether subject Southeast Asia collective security measures should continue to be dealt with here between Eden and General Smith or in future be handled between Washington and London, Caccia [3] said that from British point of view as long as Eden was here it would be better to carry on business in Geneva. Other questions apart, Caccia felt that only outstanding problem regarding proposed military staff talks was development of terms of reference. He felt that Eden was now prepared to go along with Washington as site.

However with respect to subject in general, a new obstacle has been created by published reports of US-French talks on US participation in Indochina war. Before this report was published on Saturday Eden had been ready to agree to going ahead immediately with military staff talks but now felt he had to await outcome of US-French talks. Problem for him was that if French were to ask for US intervention on terms proposed it would not be possible for him to pretend that five-power military staff talks were "without commitment", for the US and France would in fact be planning on basis of very specific commitments. [4] Caccia said that as far as British were concerned it remained essential that proposed five-power military talks be without commitment and that Eden be able so to report to Parliament.

When it was pointed out to him that some time might elapse before French Government reached decision whether to request US intervention, Caccia seemed to reflect that this aspect had not been considered by Eden and he said that the latter would no doubt wish to give further thought to this aspect.

Caccia said Eden was disturbed by press reports indicating Department had put specific question re adherence to Southeast Asia pact to certain Colombo states including India and Burma and had got flat turndown. Eden was also concerned whether this reflected decision on our part not to follow agreed division of labor whereby British would deal with Colombo states and US with Thailand, Philippines, etc., on this subject. We are assuring British that there is no such intention on our part and that talks between Murphy and Ambassadors of Colombo states were of much more general character than that attributed to them by press.[5]

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[1] Repeated for information to Paris, marked "Eyes only Ambassador".

[2] Dated May 14, p. 484.

[3] Sir Harold Caccia, Deputy Under Secretary of State in the Foreign Office.

[4] For documentation on the French request of May 9 for U.S. consideration of military intervention in Indochina, see vol. XIII, Part 2, pp. 1522 ff.

SMITH

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[5] In telegram Dulte 79 from Geneva, sent later on May 17, Smith in part reported: "Caccia has just informed us that Eden has gotten off telegram to London recommending approval of immediate start of five-power military staff talks. He has asked for reply by tomorrow and believes it will be favorable." (790.5/5–1754)

396.1 GE/5–1754: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference

TOP SECRET WASHINGTON, May 17, 1954—7:51 p. m.

Tosec 190. Limit distribution. Merchant today separately saw New Zealand, Australian and British Ambassadors at their request.[1] Informed them he thought general agreement just about reached on holding five-power military staff talks which we desire held Washington without fanfare. Also indicated we intend continue parallel talks with broader group interested states, bilaterally if necessary, on question development regional security arrangements.

Also reviewed with each of them in general terms talks which have taken place with French.

Ambassadors in the main listened although Munro and Spender by referring to Webb's and Casey's statements gave impression they feel political talks should go forward as matter of urgency. Munro and Makins both also queried what French were doing on matter independence. Munro inquired if we had received any approach similar to French from Associated States. He also probed into question of what type of UN action US had in mind.

Makins indicated Eden keeping India, Pakistan and Ceylon informed closely re Geneva developments. He expressed the view that all three might come in with respect to a settlement provided settlement were guaranteed multilaterally by both sides. Makins added that in so far as he knew there had been no discussion or suggestion that Eden had in mind that these States would come into a collective security arrangement as members. [2]

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[1] Memoranda of these conversations are in file 751G.00/5–1754.

DULLES

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[2] In telegram Dulte 71 from Geneva, May 16, repeated for information to London and Paris, Smith reported: "Occasion taken yesterday to tell French that we would probably shortly be taking initiative in convening five-power military conversations in Washington." (790.5/5-1654)

790.5/5-1854: Telegram

The Under Secretary of State (Smith) to the Department of State [1]

TOP SECRET
PRIORITY

GENEVA, May 18, 1954—5 p. m.

Dulte 84. Re Dulte 83. [2] Eden handed me following copy draft terms of reference for Five-Power military staff talks which he is submitting to London. I believe they are generally acceptable and would appreciate Department's views as soon as possible.

Begin verbatim text.

1. Venue—start in Washington, with the right to move elsewhere later, e.g., Singapore, if found advantageous.
2. Terms of reference—the Five-Power Staff Agency representatives will undertake military planning studies in order to recommend possible courses of action to enable an effective line of resistance to further Communist aggression or infiltration in Southeast Asia to be established. They would examine all possible courses of action in the light of the current situation and of the known capabilities of the anti-Communist countries concerned in Southeast Asia and the Western Pacific.
3. Informing participating and non-participating powers.

(a) *Participating powers.*

Australia and New Zealand to be informed in Geneva by UK. France to be informed by US-UK in Geneva.

(b) *Non-participating powers.*

US Government to inform Siam and Philippines.

HMG to inform Colombo powers and Canada.

Non-participating powers to be informed that the object of the exercise is "to examine without commitment the various contingencies with which we may be faced, including practical means of help for those nations of SEA who may call for it". [3] This was the word-

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[1] Repeated for information to London and Paris, marked "eyes only Ambassador".

[2] From Geneva, also dated May 18. A portion reads: "At lunch today Eden informed me he had received authorization from London to go ahead with five-power military staff talks." (790.5/5-1854)

[3] Wording in substance similar to that quoted here is in statements made in the House of Commons on May 10, by John Selwyn Lloyd, Minister of State in the Foreign Office, and on May 17 by Prime Minister Churchill. For texts, see *Parliamenta-*

Continued

ing used in the House of Commons, and we would prefer it to the wording proprosed by Washington, which was "to explore means by which the Five Powers can assist the countries of Southeast Asia in a cooperative effort to defend themselves". [4]

Comment: I see no objection to British taking this line with Colombo powers, but believe we should feel free to inform Thailand and Philippines as we deem best. *End comment.* [5]

4. Start of Meetings—first meeting to be called by US military authorities in Washington through normal military channels.

5. Publicity—no public announcement at the beginning of the talks, and no information to be given to the press as the talks proceed. [6] Questions to be answered on the lines already taken in the House of Commons (see above) if there is a leakage. *End verbatim text.*

Smith

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ry *Debates, House of Commons,* 5th Series, vol. 527, cols. 832–833 and 1692–1694, respectively.

[4] The quotation is from NSC Action No. 1112, May 8, transmitted in telegram Tedul 48, May 9, p. 466.

[5] In his memorandum of a conversation with the President on May 19, Dulles wrote:

"I mentioned to the President the cable from Bedell Smith (Dulte 84) with reference to five-power military talks at Washington. The President concurred in Smith's suggestion that the British could report informally to the Colombo powers as they proposed leaving us to inform Thailand and the Philippines as we deemed best." (Eisenhower Library, Dulles papers, "Meetings With the President")

A longer extract from the memorandum is printed in vol. xiii, Part 2, p. 1583.

[6] Telegram Tedul 88 to Geneva, May 19, marked "For Under Secretary from Secretary" and drafted by O'Connor and MacArthur, reported:

"A news ticker report from London indicates British sources have informed the press there re agreement on five-power talks. In view of firm UK agreement set forth in Dulte 84 that there would be no publicity whatsoever and no announcement to the press I find this development most disheartening. Unless you perceive objection, please mention this to Eden and tell him ticker report on information given out in London arrived at precise time that President was going over his proposal which specifically stated nothing would be said to press." (790.5/5–1954)

Editorial Note

On May 18, Murphy discussed Indochina and several other topics with Ambassador R. S. S. Gunewardene of Ceylon. Murphy pointed out that Secretary Dulles was continuing efforts to promote a regional grouping in the area of Indochina.

"Mr. Gunewardene said that his personal reaction was that some grouping for consultative purposes was necessary. Such a group might consult together, observe the situation, and it might in time be able to work up to something more positive. He thought some forum had to be created and that the grouping should not be too rigid and legalistic at the start. He believed preconceived ideas did not help discussion; there should be a free exchange of ideas and then the group should reach the largest possible measure of agreement. He said that each Asian country has its own problems and suggested that perfect unanimity among the Asian nations was not likely although they tended to view Indochina and similar problems in much the same light. He believed that the Communists have explcited nationalism in Indochina." (Memorandum of conversation by William L. S. Williams, Officer in Charge of India, Ceylon, and Nepal Affairs; 751G.00/5-1854)

S/P-NSC files, lot 62 D 1

Memorandum by Robert Cutler, Special Assistant to the President for National Security Affairs [1]

TOP SECRET [WASHINGTON,] May 19, 1954.

U.S. Objectives (Paragraph 10, NSC 5405): [2]

"To prevent the countries of Southeast Asia from passing into the communist orbit, to persuade them that their best interests lie in greater cooperation and stronger affiliations with the rest of the free world; and to assist them to develop toward stable free governments, with the will and ability to resist communism from within and without, and to contribute to the strengthening of the free world."

U.S. Motives in Forming Regional Grouping:

1. its overriding concern is for the independence and welfare of the countries of the area;
2. it is not seeking to draw them into any alignment that would compromise their independence;
3. it scrupulously respects the rights of other nations to free and stable governments and institutions, secure from foreign domination, external aggression, and internal conspiracy instigated by a foreign power;
4. it is prepared to join in a collective effort toward that end in order that the countries of the area may achieve their goals of independence, peace, and economic progress;
5. in consultations on matters of common interest in the regional grouping, its purpose would be to receive advice no less than to give it;
6. participation by the U.S. is *not* intended by the U.S. as a step in a war against Communist China.

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[1] This paper is apparently the "informal statement" mentioned in the extract from the memorandum of discussion at the 198th Meeting of the National Security Council, held May 20, p. 496.

[2] Dated Jan. 16, p. 366.

	Regional Grouping No. 1	*Regional Grouping No. 2*	*Regional Grouping No. 3*
Purpose	Assuming no acceptable settlement and continuance of hostilities in Indochina: either (1) to defeat the Vietminh by eliminating organized Vietminh forces; or (2) to prevent the Vietminh from gaining control of Indochina.	Assuming end of hostilities as result of negotiated settlement or Communist conquest of all or part of Indochina: (1) to exchange information on meeting problems causing vulnerability to Communist expansion; (2) to create psychologically important common front against Communist expansion; (3) to give direct assistance to a participating Asian government, on its request, against Communist insurrection; (4) to defend a participating Asian government, on its request, against external Communist attack; with moral support of other Asian participants; (5) provision by Asian participants of facilities and, if possible, some forces in aid of (3) and (4) above.	(May be formed either during hostilities or after their cessation.) To foster cooperation on economic and social problems.
Membership	1. US, France, Assoc. States, Thailand. 2. Philippines—probably. 3. Australia, New Zealand—Possibly after Australian elections. 4. UK—No. 5. Pakistan—moral support. 6. India, Burma, Indonesia, Ceylon—neutral.	1. US, UK, Australia, New Zealand, Thailand, Philippines. 2. To extent grouping is applicable to Indochina—France, Associated States. 3. Pakistan—probably. 4. India, Burma, Indonesia, Ceylon—benevolent neutrality, would probably join in event of further Communist Chinese aggression.	1. US, UK, Australia, New Zealand, Thailand, Philippines, Pakistan. (2. France, Associated States?) 3. India, Burma, Indonesia, Ceylon, probably during early years if no prejudice to their nonalignment policy. (4. Japan? Republic of Korea? Chinese Nationalists?)

Basic Questions

1. If the Tonkin Delta is lost, is it militarily feasible to prevent Communist control of the rest of Indochina and of Southeast Asia?

2. Would the loss of Southeast Asia be so damaging to U.S. security and prestige that the U.S. should intervene now in Indochina, even at the risk of war with Communist China and possibly of general war?

3. Can the Tonkin Delta be successfully held by U.S. intervention now in Indochina: (a) by U.S. air and naval forces alone?; (b) by

U.S. air, naval and ground forces?; (c) only by direct U.S. attack on Communist China?

4. Should the U.S. intervene now in Indochina as part of a limited regional grouping, if such action: (a) endangers the U.S.–UK alliance? (b) prejudices possibility of later forming a wider grouping to try to protect the balance of Southeast Asia, if all or part of Indochina is lost?

5. Will the loss of all or part of Vietnam make easier or more difficult the formation of a regional grouping to defend the rest of Indochina?

6. Is it essential for U.S. to decide, if it intervenes in Indochina, that it will tactically use new weapons as militarily desirable?

7. Should the U.S. objective, in now intervening in Indochina, be (a) offensively, to defeat Vietminh forces, or (b) defensively, to prevent Communist control of Indochina?

Other Questions

8. Should action be taken now on a piecemeal basis, as in contemplation of a regional grouping (i.e. the Thailand air base; a bilateral treaty U.S.–Thailand)?

9. If Indochina is lost, should France participate in any regional grouping?

10. Relation to UK if UK is not included in small regional grouping formed for intervention?

11. Does U.S. insist that Asian nations side with the U.S., or is it sufficient if they remain neutral so long as they will cooperate or be benevolent and not go to Communist side?

12. Can India (possibly other Asian countries) be helpfully given a responsibility, as an opening wedge, in relation to an armistice in Indochina?

13. Relation to regional grouping of Japan, ROK, Chinats?

14. If either grouping 1 or 2 is formed, should U.S. also proceed simultaneously to form grouping 3?

15. Should the U.S. in agreeing to intervene in the Indochina hostilities make clear to France that West Germany must be brought into NATO or EDC?

Editorial Note

During the President's news conference held in Washington on May 19, the following exchange occurred:

"*Q.* Laurence H. Burd, *Chicago Tribune:* Mr. President, can you say what you think the prospects are of Great Britain joining in the Southeast Asia Pact?

"The President. No, I can't, because I don't know.

"*Q.* Mr. Burd: Do you think we could build an effective pact back there without Great Britain's support?

"The President. Well, after all, you must remember that Australia and New Zealand are the countries of the British Commonwealth of Nations that are directly involved. I should say that with the proper Asiatic nations, which of course I lay down as a *sine qua non,* and Australia and New Zealand, we might possibly work out something that would be maybe not as satisfactory or as broad as you would like it, but could be workable."

For full text of this news conference, which includes additional exchanges concerning the situation in Southeast Asia, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1954* (Washington, Government Printing Office, 1960), pages 489–497.

790.5/5–1854: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

TOP SECRET WASHINGTON, May 20, 1954—10:32 a.m.
NIACT

Tedul 93. Under Secretary from Secretary rptd info and eyes only Ambs.

JCS have submitted following comments on draft terms of reference for five-power military talks:

"1. The recommendations of the JCS on State Dulte 84 May 18, 1954 on above subject are as follows:

> "a. Re para 1, meetings should be held and completed in Washington. JCS do not concur in British recommendation 'to move elsewhere later'.
>
> "b. Re para 2, terms of reference should read as follows: 'Military representatives of participating powers (i.e., no reference to be made to a five-power staff agency) will meet in Washington and will undertake military planning studies, objective of which will be to examine, without commitment, security matters of mutual interest and to explore means by which military assistance could be rendered to countries of SEA which might request it.'
>
> "c. Re subpara 3(A), US and UK should inform France, Australia, and New Zealand, simultaneously and jointly, in Geneva.
>
> "d. Re subpara 3(B), US Govt should inform Japan, Republic of Korea, Nationalist Govt Republic of China, Thailand, and Philippines. UK may inform Colombo powers and Canada.

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[1] Drafted by Dulles personally and approved for transmission on his behalf by MacArthur; repeated niact to London and Paris.

"e. Re unnumbered subpara following subpara 3(B), non-participating powers should be informed that purpose of exercise is 'to undertake military planning studies, objective of which will be to examine, without commitment, security matters of mutual interest and to explore means by which military assistance could be rendered to countries of SEA which might request it.'

"f. Re para 4, as to start of meetings, upon notification from Geneva of acceptance by France, Australia, and New Zealand, US military authorities would initiate call for first meeting.

"g. Re para 5, there should be no public announcement at beginning of talks and no information should be given to press as talks proceed. With reference to possibility of a leakage, in that eventuality appropriate quotations from terms of reference should be used in answering questions.

"2. Copy of this memorandum has been provided directly to Department of State in view of urgency this matter. For JCS: s/ Arthur Radford, Chairman, JCS."

I discussed above with Admiral Radford this morning and send following comments (on numbered paras in JCS memo) for your guidance in further talks with Eden:

1.a. I explained to Radford that in our opinion any decision to move elsewhere would have to be concurred in unanimously by all participants and is not subject to majority vote. This is our interpretation which you might confirm with Eden.

1.b. JCS attaches particular importance to this para dealing with terms of reference and we hope very much you can get Eden to accept.

1.c. Assume you can work out arrangements to inform France, Australia, and New Zealand simultaneously or jointly in Geneva of terms of reference when they have been agreed by US and UK.

1.d. We of course reserve right to inform other countries in general terms re exercise and would expect in fact to inform countries mentioned in JCS memo and possibly others.

1.e. Is designed to bring information to others in line with terms of reference proposed in 1.b. above.

1.f. Self-explanatory.

1.g. Has been somewhat overtaken by events as result of yesterday's leak in London.

There is one point which has not been covered in Eden's memo which is, informing Associated States. We are going on assumption this is oversight since notification of these States we regard as essential. Suggest you seek Eden's agreement to their being informed. Assume this would be done by French and possibly yourself also as representative of host govt.

DULLES

790.5/5-2054

Memorandum of Conversation, by the Officer in Charge of Philippine Affairs (Bell)

SECRET [WASHINGTON,] May 20, 1954.

Subject: Five-Power Staff Talks

Participants: Dr. Melquiades Gamboa, Philippine Chargé d'Affaires
Captain Carlos Albert, Philippine Armed Forces Attaché
FE—Mr. Drumright
PSA—Mr. Bell

Dr. Gamboa referred to press reports of five-power military staff conversations and asked Mr. Drumright if he could confirm or deny these reports.

Mr. Drumright stated that such conversations with the British and the French had been held periodically since about 1950 or 1951, that the Australians and the New Zealanders were brought in in 1952, that some of these conversations had been held in Honolulu and in Indochina, and that they were concerned primarily with an exchange of views on intelligence and planning. He pointed out that these discussions had been held on a "low level." Mr. Drumright further emphasized that we are continuing with our plans for united action concerning which the Philippines have already been consulted and that the meetings of the five-power military staff representatives were completely separate from united action. He stated that the British had been reluctant to participate in any united-action plan until after the Geneva Conference and that the British had suggested the five-power staff discussions. Mr. Drumright stated that the possibility of five-power staff discussions was under active consideration but that no firm decision had yet been reached by this Government. He emphasized to Dr. Gamboa that it was our hope to keep the Philippines and Thailand informed during any such staff discussions.

Captain Albert asked if the discussions now under consideration would be on a higher level than previously and Mr. Drumright confirmed that such was the expectation. Mr. Gamboa asked if the discussions would be held in Washington and Mr. Drumright said that we favored Washington as a meeting place.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 198th Meeting of the National Security Council Held on Thursday, May 20, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 198th Meeting of the Council were the President of the United States, presiding; the Vice President of the United States (presiding for part of Items 1 and 8); the Secretary of State; the Acting Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Secretary of Commerce (for Item 6); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 1, 2, 3, 4 and 5); the Federal Civil Defense Administrator (for Items 1, 4 and 5); the Chairman, Council of Economic Advisers (for Items 1, 2 and 3); Mr. Milton for the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force (for Items 1, 2 and 3); the Deputy Director, Bureau of the Budget; Assistant Secretary of Commerce Anderson and Marshall Smith, Department of Commerce (for Item 6); Admiral Delany, Foreign Operations Administration; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army, the Chief of Naval Operations, the Chief of Staff, U.S. Air Force, and the Commandant, U.S. Marine Corps (for Items 1, 2 and 3); the NSC Planning Board (for Items 1, 2 and 3), as follows: Mr. Bowie, Department of State; Mr. Tuttle, Department of the Treasury; Gen. Bonesteel, Department of Defense; Mr. McDonnell, Department of Justice; Gen. Porter, FOA; Mr. Elliott, ODM; Mr. Reid, Bureau of the Budget; Mr. Snapp, AEC; General Gerhart, JCS; Mr. Amory, CIA; and Mr. Staats, OCB. The following were also present: the Director of Central Intelligence; Mr. Cutler, Special Assistant to the President; Gen. Persons, Deputy Assistant to the President; Gen. Carroll, White House Staff Secretary; Mr. Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

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[1] Drafted by Gleason on May 21.

8. *Regional grouping in Southeast Asia* (NSC Actions Nos. 1086-b and c,[2] 1104-b,[3] and 1112;[4] NSC 5405[5])

Mr. Cutler summarized the four Planning Board meetings which had been devoted to the preparation of an interim report on the regional grouping for the defense of Southeast Asia. Owing to disagreements in the Planning Board, no paper for Council consideration had been completed. Nevertheless, Mr. Cutler himself had prepared an informal statement[6] consisting of a description of three possible types of regional grouping. To this he had added a series of basic questions which brought out the differences of opinion in the Planning Board consideration of the problem. He then called on Secretary Dulles for comment.

Secretary Dulles expressed the opinion that the discussions in the Planning Board, as described by Mr. Cutler, had been useful. He stated that the situation with respect to creating a regional grouping had been fluctuating. He had been obliged to "feel his way" and accommodate his views to those of the representatives of the other nations. Secretary Dulles suggested that when you started to stir up a thing like this regional grouping, you couldn't be sure precisely what would come up. But in any event, the stirring process had evoked a very lively reaction among such South Asian nations as India and Pakistan. It was quite possible that the end result of our efforts to create a regional grouping would be different from what we had originally planned, but the results, nevertheless, might be very useful to us. In other words, Secretary Dulles said he didn't think we were going to get the thing we were ostensibly after, but we would probably get something better than if we hadn't tried at all. The United Kingdom is obviously trying to interest India and Pakistan in the problem. If the British succeed in bringing in India and Pakistan, it would constitute a triumph for British diplomacy. It would also be a triumph for us, even if we couldn't claim it to be.

Mr. Cutler asked Secretary Dulles if he knew anything of the content of the plan for Indochina which Krishna Menon[7] was hurrying to present at Geneva. Secretary Dulles replied that he had no idea of the content, but that Menon was a "pretty bad fellow". The

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[2] Included in the memorandum of discussion at the 192d NSC Meeting, Apr. 6, 1954; see vol. XIII, Part 1, p. 1250.

[3] Included in the memorandum of discussion at the 194th NSC Meeting, Apr. 29, 1954, *ibid.*, Part 2, p. 1431.

[4] See footnote 2, p. 463.

[5] Dated Jan. 16, p. 366.

[6] See his memorandum dated May 19, p. 490.

[7] Ambassador of India in the USSR.

President observed that judging from the past activities of Menon, whatever the content of his plan it was not likely to be acceptable.

At this point the President was obliged to withdraw from the meeting, and Mr. Cutler asked the Secretary of State for further comment on the status of his efforts to achieve a regional grouping.

As of today, said Secretary Dulles, there is substantial agreement between the U.S. and the U.K. on initiating five-power military conferences in Washington. The agreement was not, however, as complete as was indicated by reports in the press. The British had been leaking vigorously news items to the press in the course of the last 48 hours, perhaps in the hope of covering up their differences with the United States on the formation of the regional grouping. They were attempting, in short, to disguise the fact that they had broken their engagement to us on this subject made on April 13. [8] The essence of the difference was whether the examination of a possible regional grouping should be made during or after the Geneva Conference, and the British were now trying to make it appear that they had never disagreed with our proposal to conduct this examination while the Geneva Conference was still in session.

Another explanation of the British attitude was their obvious desire to associate the Colombo Conference powers with a regional grouping for the defense of Southeast Asia. Secretary Dulles speculated that perhaps there was a healthy competition between ourselves and the British in the effort to achieve some kind of regional grouping. On the other hand, Secretary Dulles declared himself not optimistic about establishing any very useful regional grouping very quickly.

Meanwhile, talks had been going on in Paris with the French with respect to our pre-conditions for military intervention in Indochina. These talks with the French had now been interrupted, owing to the departure of General Ely to Indochina for a brief inspection of the military situation there. We had agreed, said Secretary Dulles, that General Trapnell [9] should go to Paris to discuss military problems with Premier Laniel and his associates. In fact, General Trapnell had been on his way to Paris when we received word that General Ely had gone to Indochina. We had accordingly called General Trapnell back from Gander, but he would be sent to Paris again after the return of General Ely.

Secretary Dulles indicated that if these talks with the French on pre-conditions succeeded, they would form the cornerstone of a regional grouping which would include Indochina, but he did not believe that the French had really made up their minds whether or not they wanted to continue the war in Indochina with U.S. participation. These talks were probably being used chiefly to strengthen the French bargaining position with the Communists at Geneva. While one couldn't be sure, Secretary Dulles felt that even if Premier Laniel agreed to meet our pre-conditions, the French Chamber of Deputies wouldn't go along with the decision. He was therefore inclined to the view that in our conversations with the French on pre-conditions we were going through an academic exercise except in so far as these conversations affected the Geneva Conference. He did not exclude, however, all possibility that the French might ultimately agree to internationalize the conflict.

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[8] Regarding this development, see Dulles' memorandum of conversation, Apr. 30, vol. XVI, p. 622.

[9] Maj. Gen. Thomas J.H. Trapnell, Chief of MAAG in Vietnam, August 1952–April 1954.

With respect to the U.S. pre-conditions, Secretary Dulles expressed the view that we might be exaggerating the significance of the independence issue for the Associated States. The Associated States had already achieved in fact a very high degree of independence. Moreover, if we harped on the independence issue it might well rise to embarrass us when the scene shifted from Indochina to Malaya.

In explaining the hesitations of Australia and New Zealand, Secretary Dulles pointed out that the Australians were in a tough spot in view of the imminence of the national election. Accordingly, we had refrained from pressing the Australians too hard. Secretary Dulles indicated that the Foreign Minister of New Zealand was seeing the President this afternoon.[10] Both these Dominions were torn between their sentimental ties with the United Kingdom (now greatly strengthened by the visit of the young Queen) and their practical security ties with the United States. Above all, they wished to avoid making a choice between these ties.

[Here follows discussion of the military situation in Indochina and of the Geneva Conference. These portions of the memorandum are printed in volume XIII, Part 2, page 1586.]

The National Security Council:[11]

a. Discussed the subject in the light of a report by Mr. Cutler, based on the discussion of the subject in the NSC Planning Board.

b. Noted and discussed an oral report by the Secretary of State on developments with respect to the formation of a regional grouping in Southeast Asia; the Geneva Conference; and the military situation in Indochina.

S. EVERETT GLEASON

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[10] Record of the substance of this meeting has not been found in Department of State files.

[11] The lettered subparagraphs constitute NSC Action No. 1132. (S/S-NSC (Miscellaneous) files, lot 66 D 95)

790.5/5–2054

Memorandum of Conversation, by the Counselor of the Department of State (MacArthur)

TOP SECRET [WASHINGTON,] May 20, 1954.

Subject: Southeast Asia Defense

Participants: The Secretary
Foreign Minister Webb, New Zealand
Ambassador Munro, New Zealand
Minister Laking, New Zealand
Mr. MacArthur, C

The Secretary opened the conversation by saying that he assumed Mr. Webb would like to be brought up-to-date on the proposed five-power military talks in Washington. The Secretary said the British had come up with a proposal two weeks ago suggesting that the talks start in Washington with the possibility of moving to Singapore or some other place later if this seemed desirable. The British proposal also had a paragraph which dealt with proposed terms of reference for the group. He said the US believed the talks should be in Washington and should only be transferred to some other place if there was full agreement by each of the five participating powers. The Secretary then read the terms of reference set forth in Eden's memo of May 18 (paragraph 2 of Dulte 84).[1] He then read the US counterproposal suggested by the US Joint Chiefs of Staff which he said had been sent to Mr. Eden this morning (paragraph 1b of Tedul 93).[2]

The Secretary said he was not certain there was any great difference of substance in the two texts but that the US military had a strong preference for their text. Mr. Webb expressed the view that when the military representatives of the five powers actually got together and met, the precise wording of their terms of reference would probably not seriously affect their discussions.

Mr. Webb then said he would be interested in knowing the level at which the US envisaged these talks being held. The Secretary said he did not know what individual the Department of Defense had in mind but that he understood it would be a general officer of possibly a three- or two-star rank. Mr. Webb said the New Zealand Government took these talks very seriously and hoped the level of representation would be on the high side rather than on the low side. He thought this was important not only substantively but also to give the impression to the world that the five powers were taking the discussions seriously and were represented at a high military level. (Subsequently, Mr. Laking told Mr. MacArthur that New Zealand was contemplating designating General Gentry, who would proceed to Washington to head up the New Zealand representation.)

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[1] Dated May 18, p. 488.

[2] Dated May 20, p. 493.

[Here follows a summary of a general review by the Secretary of United States policy in Indochina and Southeast Asia since the beginning of April 1954.]

790.5/5-2054: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

TOP SECRET WASHINGTON, May 20, 1954—7:20 p. m.

Tedul 98. Limit distribution. We consider it necessary that we and British work as closely as possible and have as full an understanding as possible of each other's viewpoints and objectives with regard to Southeast Asian problems. This particularly important in view recent trend drifting apart from each other and resulting adverse effect Western unity. We hope that British now understand what we are doing in the talks with French at Paris. We are not so sure we have a full understanding of what Eden has in mind with regard to the Colombo powers. We do fully concur that he should, in the first instance, work with these powers and with Canada and have concurred specifically with his point on this in the terms of reference for the five power military staff talks. We do however believe that this point should not preclude us from talking with the representatives of these states here in Washington or at their capitals, it being understood that we would take pains not to work at cross purposes with the British and would keep Eden fully informed.

We note (Dulte 66 [2]) that British concur in our concept of parallel lines of development, one with regard to military staff talks and other with regard collective grouping in Southeast Asia. We would like fullest information obtainable regarding Eden's views on the latter. You should express our great concern that if we were to await final outcome of Geneva before doing anything further with respect to Southeast Asia we would be playing into hands Communists who can stall at Geneva while pressing military situation in Indochina to point where Associated States may be beyond saving and it would be too late enlist active cooperation other states in area or draw anything like an effective or satisfactory line to be held at all costs. Consequently we believe that prior outcome Geneva we must, in addition to having military talks, get UN POC into area soonest, clarify possibilities of military participation of US and others within Indochina itself and continue preparations for collective efforts even though precise stand to be taken by collective group cannot yet be determined in light uncertainties (1) military-political developments within Viet Nam (2) French position (3) prospects for armistice at Geneva. We also hope that our talks with French in Paris may help to bolster French at Geneva and to give Communists cause for concern that might help achievement more acceptable armistice.

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[1] Drafted by Fisher. "The Secretary" is typed, uninitialed, in the transmission approval line of the source text. Repeated for information to Paris and London. Although the source text is not marked for the Under Secretary's personal attention, context and series designator indicate that it was so intended.

[2] Dated May 13, p. 481.

We plan talk to Makins here soonest along foregoing lines.

Dulles

790.5/5-2154

Memorandum of Conversation, by the Deputy Assistant Secretary of State for European Affairs (Bonbright)

TOP SECRET [Washington,] May 21, 1954.

Subject: Clarification of Remarks Attributed by the Press to the New Zealand Foreign Minister, Mr. Webb, with regard to United Action in South East Asia.

Participants: The New Zealand Ambassador, Mr. Munro
Mr. Laking, New Zealand Embassy
The Secretary of State
J. C. H. Bonbright, EUR

The Ambassador began by conveying Mr. Webb's regrets for not coming himself to see the Secretary. This was due to the fact that Mr. Webb was on the point of leaving Washington and furthermore, he felt that his personal presence might not be helpful since it would be noted by the press and require further comment.

According to the Ambassador, Mr. Webb considered that his remarks to reporters yesterday had been grossly misrepresented by the press. (He was reported by Chalmers Roberts of the *Washington Post* as having declared that "he could not conceive of a Southeast Asia alliance without Britain.")[1] Mr. Webb thought he had made it absolutely clear to the reporters that he considered they were asking him to comment on a situation which would not arise. All he was saying was that if there were a pact, the British must be in it. The Ambassador went on to say that this morning Mr. Webb had again made it clear to the press that under no circumstances was New Zealand trying to impede the negotiation of a pact or to impede the Secretary's efforts in this direction. On the contrary, Mr. Munro added confidentially that his government would make every effort to persuade the United Kingdom to enter a pact for the defense of Southeast Asia. He then gave the Secretary a copy of Mr. Webb's press statement this morning (Attached).

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[1] Roberts' report reads in part: 'Webb said he had not discussed with Dulles the question of New Zealand's joining in the proposed 'united front' without Britain. *Continued*

To sum up, Mr. Munro said that Mr. Webb was deeply concerned and very, very resentful of this misrepresentation and he, the Ambassador, felt the same way about it.

The Secretary replied that he too regretted the incident and said that when he had read the words attributed to Mr. Webb, he was sure he had been misrepresented. While he said that he understood what had happened, the Secretary did not conceal that he was in a difficult situation, particularly since he was going up to the Hill at two o'clock today to talk to members of Congress in order to make sure that if we get a pact we will have the funds to finance it. It was difficult for him when people were in a position to put the question: "Why should we help if we get slapped in the face every time we try to make a helpful move?"

The Secretary said that obviously we would not want in any way to put the New Zealand Government in the position of having to choose between the UK and the US. He had been careful not to do this or to raise hypothetical questions in his talks with Mr. Webb. Mr. Munro entirely agreed that the question had not been raised in this way.

In response to a question from his Ambassador, Mr. Laking said that Mr. Webb had one other point in mind which was to tell the Secretary that obviously he could not, as a member of the Commonwealth, say that New Zealand would enter a pact without the UK. This was the reason why Mr. Webb could not go back on what he said yesterday but put it in its proper context.

Mr. Munro then turned to the subject of the five-power military talks. He said that his government attached great importance to these talks, as evidenced by the high rank of the New Zealand officer who would take part in them. He understood that our view had been that purely military talks would be of little or no value unless

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But he told reporters with vigor, in reply to questions: 'I don't visualize the possibility of Britain not being in such an alliance. I can't conceive of a satisfactory alliance being made that would not include Britain.' " (*Washington Post and Times Herald*, May 21, 1954) accompanied by political conversations. He thought that at the very least there will continue to be informal and confidential exchanges of views on the political and diplomatic level. He would expect to carry on such conversations with us in order to show that New Zealand was in earnest about this whole matter and he assumed that there would be similar bilateral talks between the US and UK and others. The Secretary agreed that such talks should certainly continue and referred to the conversations between Great Britain and the Colombo powers. He thought that it would be helpful if the Colombo powers would come to realize more fully the dangers in the present situation and would be willing to participate in such measures as providing troops to patrol and protect an armistice agreement if one were worked out. In his view the more the Asians took over the better. As he had already told Mr. Munro we would like to avoid much involvement in the mainland of Asia and it was only because we had feared the appearance of a vacuum there that we had considered doing something to help fill it.

In leaving, the Ambassador again expressed how deeply he and Mr. Webb had been disturbed by the misrepresentations in the press. He was obviously entirely sincere in this.

[Attachment]

Copy of a Press Message Dated 21 May 1954, by the United Press Representative in Washington

The New Zealand Minister of External Affairs, T. Clifton Webb, reiterated today that the Secretary of State, John Foster Dulles, and himself had found a substantial identity of views between the United States and New Zealand on the Indochina situation.

The Minister had seen Dulles yesterday. He said his remarks that "we cannot conceive of Britain not wanting to be" in a Southeast Asia security system referred to a hypothetical situation and did not mean that New Zealand in any way had "curbed" or put a "crimp" in efforts to bring about a pact as had been alleged by a leading Washington and a leading New York newspaper today.

The Minister said his words clearly showed "I feel any form of security pact for Southeast Asia that it may be necessary to form will, in fact, include Britain." He added, "New Zealand like the United States and other countries is a firm believer that some form of pact should be brought about as soon as possible".

790.5 MSP/5-2154

Memorandum by the Acting Assistant Secretary of State for Far Eastern Affairs (Drumright) and the Special Assistant for Mutual Security Affairs (Nolting) to the Secretary of State [1]

SECRET [WASHINGTON,] May 21, 1954.

Subject: Meeting with Congressional Leaders concerning the Mutual Security Programs for the Far East.

The purpose of this meeting from our point of view is to consider the problem of how best to proceed with the authorization and appropriation of funds for the Far East under the Mutual Security Program despite the uncertainties in Southeast Asia. Speaker Martin [2] (in whose office the meeting will be held) may call on you at the outset for your views. If he does so, we would suggest the following procedure:

1. That you outline the various possible alternative situations which may develop in Indochina, perhaps roughly as follows:

a. The continued active prosecution of the war against the Viet Minh by French and Associated States forces (the assumption on which our present Mutual Security estimates for the area are based);
b. The internationalization of the war by participation of other forces;
c. The conclusion of an armistice with a division or zoning of territory, with perhaps an international guarantee;
d. The abandonment by France of the contest, the withdrawal of French troops, and the loss of Indochina.

2. That you point out that, under any of the above situations which may develop, the need for substantial funds for the area will exist, if not for Indochina itself, then for the surrounding states, including perhaps Malaya and Burma. The question, therefore, is how to justify to the Congress and the people the authorization and appropriation of funds in a situation in which the outcome is unpredictable at present, but in which it is certain that the lack of authority to act will greatly diminish the chances of an aceptable outcome. We frankly seek the views and advice of the House leaders on this problem.

3. On their part, the Department of State, the Department of Defense, and the Foreign Operations Administration propose consideration of the following approach:

a. That the $584 million for military assistance presently programmed for the Far East area for the fiscal year 1955 be presented on the basis presently outlined to the Foreign Affairs Committee, on the understanding that changing conditions in Indochina may cause large shifts of emphasis between the recipient countries. The present draft legislation provides the necessary flexibility with respect to the Mutual Defense Assistance funds.

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[1] The source text bears the following marginal notation: "Sec saw R[oderic] O'C[onnor]".

[2] Representative Joseph W. Martin, Jr., of Massachusetts.

b. That no changes be made in the economic and technical cooperation programs.

c. That the $800 million proposed for Direct Forces Support for Indochina be modified in the draft bill to authorize the use of this amount, at the discretion of the President, for any purpose consistent with the purposes of the Act in the general area of the Far East. It is proposed that language for such an amendment be similar to that suggested by Senators Vandenberg [3] and Knowland in 1949 to accomplish a similar purpose with respect to the China Aid fund. [4] It is, of course, understood that should the situation develop in a manner which would render unnecessary or unwise the use of this discretionary fund in the area, the money would not be spent. However, it is our present belief that the authorization and provision of such a fund by the Congress would greatly strengthen the cause of the United States and its objective of organizing a collective defense of Southeast Asia. [5]

A position paper spelling out in more detail this proposal is attached. [6]

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[3] Arthur H. Vandenberg of Michigan, then ranking minority member of the Senate Foreign Relations Committee.

[4] For the pertinent section of Public Law 81–47, approved Apr. 19, 1949, see 63 Stat. 55.

[5] A memorandum dated May 14, from Nolting to the Secretary, indicates that on that day Representative John M. Vorys of Ohio, Acting Chairman of the House Committee on Foreign Affairs, had suggested to Nolting the notion of a regional appropriation for military assistance and direct forces support in Southeast Asia. The memorandum bears the following handwritten notation: "The Secretary thought this was dandy . . . follow up . . . R[oderic] L. O'C[onnor]". (790.5 MSP/5–1454)

[6] Position paper not found attached. A copy is attached to a copy of this memorandum in U/MSA files, lot 57 D 567.

The text of a memorandum from Dulles to President Eisenhower dated May 24 regarding a meeting with Congressional leaders at 4 p.m. that afternoon reads:

"I have just had a meeting with the House leadership, Republican and Democratic, and including Foreign Affairs, Armed Services, and Appropriations, on flexibility of appropriations for Indochina. The meeting was most satisfactory and there was unanimity. Sam Rayburn, who was very helpful, remarked that it was the first unanimous meeting he had attended in a long time." (Eisenhower Library, Dulles papers, "White House Memoranda")

BEST AVAILABLE COPY

790.5/5-2254: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET GENEVA, May 22, 1954—1 p. m.
NIACT

Dulte 97. Eyes only Secretary. Re Teduls 93 and 98.[1] Eden left early this morning for Paris and London before I had time to analyze or to speak to him regarding our JCS recommendations on the British text re five-power staff talks.

Since I received these comments in Tedul 93, you have probably seen Avis Gento 32 of 21 May[2] reporting summary given him[3] by Colonel Monckton, British military adviser. You will note that the British propose these talks be conducted at Chief of Staff level, Australia and New Zealand concurring. They intend to send to Washington the Army Chief of Staff, General Harding, with advisers of major general rank from the other three services. This automatically lifts talks above level of "five-power staff agency".

You will also note the comprehensive items for discussion proposed by British delegation here to British Chiefs of Staff, which I assume will be adopted.

Under these circumstances, I am extremely reluctant to open up again the whole matter with Eden on the basis of our JCS comments, some of which I think are no longer pertinent, and most of which I think should be settled by these senior staff officers themselves when they first meet in Washington.

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[1] Both dated May 20, pp. 493 and 501, respectively.

[2] This Army telegram was received in the Department of State on May 28. It reads in part:

"Eden has concurred British Joint Chiefs Proposal to conduct Washington five-power talks at Chief of Staff level. Propose send Army chiefs. Accompanying will be advisors (major general rank) from three services. Australia and New Zealand concur.

"British del Geneva yesterday cabled British Joint Chiefs recommending following subjects be considered at Washington:

"1. Military situation Indochina, making use of new information obtained by General Ely and team.

"2. Courses of action in event no Indochina settlement is reached Geneva.

"3. Courses of action in event settlement is reached Geneva.

"Consensus working level British delegate Geneva that discussion points 2 and 3 above should include consideration of: a. Immediate deterrents, b. Strengthening SEA countries against internal Communism, c. Strengthening SEA countries against external Communism.

"Monckton believes discussions should focus on Associated States, Thailand and Burma but not necessarily to exclusion of other SEA countries.

"British delegate Geneva believes it necessary to consider political as well as military factors during Washington talks. British representatives will have brief prepared by Eden as guide." (790.5/5-2854)

[3] Vice Admiral Arthur C. Davis.

Department's assumption that omission of informing Associated States from Eden's memo[4] is an oversight, is correct. He understands they will be informed. He also understands that the information which will be given by the several participants to their Asiatic proteges as to terms of reference will vary. His wording is that which he proposes to use to those nations that will be informed by Britain, and I told him that we would probably modify it to a certain extent in speaking to the countries whom we are to inform.

I have pushed this matter pretty hard with Eden because I believe that these talks were desirable to lay some of the dust which has been raised about disunity, and also because I believe that serious military technical discussions are imperative.

So far as joint participation in staff conversations are concerned, the first objective has already been accomplished by the press. The scope and effectiveness of the second will depend very largely on the ability of the soldiers to get down to serious business, and as we have quite enough points of friction here, I would hope to be relieved of the necessity of going again to Eden on this matter unless a real major issue arises.

Monckton informed us that Eden is very concerned about the leak to the British press of details regarding the five-power talks and that a thorough investigation is being made both at London and at Geneva to determine the source.

SMITH

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[4] See telegram Dulte 84, May 18, p. 488.

790.5/5-2254: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference[1]

TOP SECRET [WASHINGTON,] May 22, 1954—1:51 p. m.
PRIORITY

Tedul 107. Eyes only for Under Secretary from Secretary. Re Dulte 97.[2] You may advise Eden acceptance his proposal Dulte 84[3] on following understandings which we believe acceptable and understood by other participants:

1. Any decision to move from Washington would involve unanimous concurrence rather than majority vote.

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[1] Drafted by Dulles personally; cleared with Admiral Radford (and approved for transmission on behalf of Dulles) by MacArthur.

[2] *Supra.*

[3] Dated May 18, p. 488.

2. We will ourselves prefer to call the group "military representatives of the participating powers" but since it is understood that no official announcement will be made this matter is presumably academic.

3. We understand that the terms of reference should be interpreted so that the second phrase dealing with examination of "all possible courses of action in the light of the current situation" etc. is without limitation, and in particular is not restricted by the prior sentence dealing with "an effective line of resistance."

4. We see no objection to UK informing Australia and New Zealand because of commonwealth relationship. We would also expect to keep them informed in view of our ANZUS relationship and in fact we did inform Webb fully of the then status of the matter during his recent visit here.

5. The US would expect to inform others in accordance with its standing policies in such matters, possibly varying the precise formulation of the terms of reference according to the circumstances of the case. Also, we assume that Associated States will be informed in the first instance presumably by France.

We suggest that a letter of memorandum be handed to Eden to the foregoing effect at the time you explain the above points orally.

For your information US and British Chiefs have exchanged despatches on the subject of level of representation. British Chiefs originally proposed Chief of Staff level or two star level. US Chiefs replied that they preferred two star level. British Chiefs yesterday requested reconsideration of this matter and US Chiefs replied that they still preferred the two star level and were not willing to raise it to the Chief of Staff level but would go along with British and French senior representation from Washington which would mean that the British could designate four star General Whiteley [4] and French could designate three star General Valluy. [5] That is acceptable to the French. US Chiefs intend to maintain their direct representation in these meetings on two star level, even if British accept this last proposal. We feel here that this particular matter is one which can be adjusted between the Chiefs themselves. End FYI.

DULLES

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[4] Gen. Sir John F.M. Whiteley, Chairman of the British Joint Services Mission in Washington and British Representative on the Standing Group of the NATO Military Committee.

[5] Lt. Gen. René Valluy, French Representative on the Standing Group of the NATO Military Committee.

790.5/5-2354: Telegram

The Under Secretary of State (Smith) to the Department of State

TOP SECRET GENEVA, May 23, 1954—2 p. m.

Dulte 100. Eyes only Secretary. Your Tedul 107.[1] I will advise Eden in accordance with your instructions and provide him with a confirming memorandum.[2] Will omit paragraph four, since Australia and New Zealand have been informed and are participating and our relationship to ANZUS is well understood.

With regard to final paragraph of Tedul 107, it is completely impossible for me to understand the reasoning which prompts the decision by our Joint Chiefs of Staff that they should downgrade the rank of our representation on these five power staff conferences.[3] Regardless of the actual outcome, the simple fact that very senior military officers of the five powers were meeting in Washington would convince the Russians and Chinese, who inevitably would know about it, that, regardless of protestations or statements to the contrary, we really intended serious business. I really regret this decision more than I can say.[4]

SMITH

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[1] *Supra.*

[2] Not found in Department of State files.

[3] Telegram Tedul 112 to Geneva, May 24, drafted by Dulles personally, reads as follows: "Have discussed final paragraph [of Tedul 107] with Radford and Chiefs will reconsider. Their motivation has been primarily political, feeling that British wanted high ranking to obviate carrying on broader political talks." (790.5/5-2354)

[4] A section of telegram Tedul 126 to Geneva, May 26, drafted and approved for transmission by MacArthur, reads: "UK military have informed our JCS of receipt of message from Eden yesterday indicating he had accepted interpretations set forth in your memo; that USDel Geneva had been informed; and that it was now agreed talks could proceed as soon as possible." (790.5/5-2654) The five-power talks began in Washington on June 3.

790.00/5-2454: Telegram

The Ambassador in the Republic of China (Rankin) to the Department of State [1]

SECRET TAIPEI, May 24, 1954—11 p.m.

640. Department pass CINCPAC. In rather lengthy conferences with Secretary Wilson [2] and General Van Fleet [3] separately, President Chiang outlined his views *in extenso* with particular emphasis on following numbered points:

1. Useless to hope for solution of Indochina problems in Associated States themselves whether or not SEATO can be established with UK in addition to French participation. US inevitably would find itself enmeshed in British and French colonial problems and made to appear to Asians as another champion of colonialism. Nothing short of large scale use of American ground forces in Indochina could check Communists under these conditions. Further expansion of military aid to France is simply waste of money as far as saving SEA is concerned. (Taipei's 578 and 629) [4]
2. Only practicable military means of relieving pressure in Indochina is by threatening coastal flank of Communist China, which is prime move in Red machinery for aggression in Asia.
3. Anti-Communist countries of East Asia (Korea, Japan, Free China, Philippines) from which Red flank could be threatened are in area where US has comparatively free hand and need not concern itself with British and French colonial problems. Moreover these four countries have important actual and potential military power.
4. Above four countries should be linked by security pacts with each other and with US. Due present difficulties between Japan and Korea, as well as between Japan and Philippines, Chiang suggested series of trilateral pacts such as US–Japan–China, US–Philippines–China, US–Korea–China. He pointed out that in common with US, Free China enjoys good relations with all, and that above approach would give promise of eventually making Korea and Philippines allies of Japan against common enemy—Communism. (Taipei's 610) [5]

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[1] Repeated for information to Geneva, Hong Kong, Manila, Saigon, Seoul, and Tokyo.

[2] Defense Secretary Wilson was on a tour of East Asia which had begun with his arrival in Tokyo on May 13. Besides Japan, his itinerary included South Korea, the Republic of China, and the Philippines. He had arrived in Taipei on May 19 and had conferred with President Chiang Kai-shek that same day. He arrived back in the United States on June 2.

[3] Gen. James A. Van Fleet, U.S. Army, ret., was (at the request of the President) at the head of a mission which was surveying military forces and U.S. Military Assistance Programs in Japan, Korea, the Philippines, and the Republic of China. The mission was in East Asia May 5–July 8.

[4] Neither printed.

[5] Dated May 10, p. 477.

5. Foregoing proposal, if sponsored by US would prove to all concerned existence of firm, long-term, anti-Communist US policy in Far East. Such demonstration essential to combat neutralist tendencies in Japan which Chiang believes are being encouraged by what he considers present US indecisiveness.

6. Essential link remaining to be forged before above proposals can be implemented is conclusion of bilateral security pact between US and Free China.

Long telegram from Ambassador Koo re his May 19 conversation with Secretary Dulles (Department's 889)[6] was summarized by Foreign Minister for President Chiang before latter's final talk with Wilson May 21. Chiang made no reference to this telegram in talking with Wilson or Van Fleet but Foreign Minister told me privately both he and President were very disappointed US unwillingness negotiate bilateral pact with Free China as already done with ex-enemy Japan and with Korea, occupying similar position to that of Free China. Foreign Minister expects give me detailed memo on this subject shortly. Meanwhile he could see no valid objection on part of US to pact carefully drawn on purely defensive basis and practical value of which would be almost entirely psychological but no less important on that account. Chiang's remarks to Wilson doubtless were influenced by Koo's telegram. He observed *inter alia* that continued refusal by US to conclude security pact with Free China would be interpreted as indicating US intention recognize Red China in due course.

RANKIN

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[6] For a memorandum of this conversation, see volume XIV.

Eisenhower Library, Dulles papers, "Meetings With the President"

Memorandum of Conversation With the President, by the Secretary of State

TOP SECRET [WASHINGTON,] May 25, 1954.

Deputy Secretary Anderson and I discussed with the President the prospective five-power military talks. I said that I was concerned lest the JCS viewpoint should be presented in a way which would have undesirable political repercussions. Their judgment had been that there was little use discussing any "defense" of the Southeast Asia area or any substantial committal of U.S. force to this area; that United States power should be directed against the source of the peril which was, at least in the first instance, China, and that in this connection atomic weapons should be used.

The British at least wanted to discuss the establishment of a defensive line, assuming the loss of all or part of Indochina.

I said that while I did not question Admiral Radford's military judgment, I did not believe that it was serving our political objectives to present it at this time; that it would lead to U.S. isolation, and indeed it had already done so to some extent in connection with Admiral Radford's last trip to Paris and London. [1]

If there was U.S. intervention as part of a coalition, no one could, of course, tell what the consequences might be or whether the initial theater would be enlarged. However, it was not politically good judgment to take it for granted that any defensive coalition would be bound to become involved in a general war with China, and perhaps with Russia, and that this would be an atomic war.

The President said he wholly agreed with me and that he was strongly opposed to any assumption that it was necessary to have a war with China. He said that the JCS should not act in any way which would interfere with the political purposes of the Government, and that he would try to find an occasion to make this clear. He also said that he might plan himself to talk with the military representatives of the other four nations so that they would get directly from him the political position of the United States.

JFD

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[1] For documentation concerning Admiral Radford's visit to Europe in April 1954, see vol. XIII, Part 1, pp. 1367 ff.

790.5/5-2554

Memorandum by the Acting Secretary of Defense (Anderson) to the Secretary of State

TOP SECRET WASHINGTON, May 25, 1954.

DEAR MR. SECRETARY: Forwarded herewith are the views of the Joint Chiefs of Staff on the military aspects of defending the rest of Southeast Asia against an overt Chinese Communist attack in the event Indochina is lost to the Communists. Set forth therein is the general order of magnitude of forces and logistic support considered necessary for this operation if a static-type defense is employed; no analysis is made of the force requirements and logistic support necessary for an offensive to attack the source of Communist military power being applied in Southeast Asia. Your attention is invited to paragraph 7 of the memorandum, in which the JCS state that from a military viewpoint the concept of a static-type defense is unsound.

I am passing these views to you for your information in connection with the current interest in this subject. I am also making a copy available to Mr. Cutler for circulation to members of the National Security Council on a limited distribution, need-to-know basis.[1]

R. ANDERSON

[Attachment]

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)

TOP SECRET WASHINGTON, 21 May, 1954.

Subject: Defense of Southeast Asia in the Event of Loss of Indochina to the Communists

1. As a result of recent military and political developments, including certain public statements by high-level officials of the United States, the Joint Chiefs of Staff consider that it is incumbent upon them to determine what military forces and resources would be required to hold Southeast Asia against further Communist aggression in the event Indochina is lost to the Communists.

2. Currently approved United States Government objectives regarding Southeast Asia are based on the considerations that:

a. The passing of the countries of Southeast Asia into the Communist orbit would be inimical to the security interests of the United States, and

b. The loss of Indochina to the Communist orbit could lead to the eventual loss of the other countries of Southeast Asia to the Communist orbit.

3. In the event that Indochina is lost to the Communists, the United States must take as an objective the prevention of the loss of the rest of Southeast Asia (Thailand, Burma, and Malaya) to the Communists.

4. There are two basic military concepts for the defense of Southeast Asia:

a. Static type defense (Korea type).

b. An offensive to attack the source of Communist military power being applied in Southeast Asia.

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[1] An unsigned, handwritten, marginal note reads: "Sec. saw 5/27/54". Cutler, in a memorandum to the Secretary of Defense, May 26, advised that, since a new policy issue was not involved, he saw no need to circulate the JCS memorandum to the NSC. The text of Cutler's memorandum is printed in Department of Defense, *United States-Vietnam Relations, 1945–1967*, Book 9, p. 494.

5. The force requirements and inherent logistic implications for a "static" defense of the remaining countries of Southeast Asia—Burma, Thailand, and Malaya are of the order of magnitude as shown in Appendices "A" and "B" [2] hereto. So long as Burma and Thailand are not under Communist control, the geography of the area and the lack of a Chinese Communist capability for a major overseas attack renders Malaya secure from external attack. Therefore, the force requirements are limited to those necessary to defend Burma and Thailand and to provide internal security against infiltration and subversion in Malaya. Should Burma and Thailand be lost, to the Communists prior to an Allied decision to hold a line in Southeast Asia, the defensive position would have to be established in Malaya.

6. A study of the above requirements and implications reveals the following extensive and damaging weaknesses inherent in this concept:

a. It is estimated that it would take a minimum of 12 months to build up the necessary base complex and facilities required to support the forces indicated.

b. These forces would have to remain for an extended period.

c. The commitment in manpower and material incident to maintaining these forces in Southeast Asia for such a period would be unacceptable from the over-all viewpoint.

d. The presence of large numbers of United States, Commonwealth, and French troops in this area would provide a basis for Communist propaganda to develop and intensify anti-Western sentiment.

e. The dissipation of allied strength through the commitment of forces of this magnitude to a "static" defense of Southeast Asia would contribute to the realization of the politico-military objectives of the USSR vis-à-vis the free world.

f. Execution of static defense plan would result in maldeployment and seriously reduce the flexibility of employment of United States forces. This could seriously jeopardize the United States capability of supporting logistically our present war plans.

7. In view of the foregoing, the Joint Chiefs of Staff consider that from the military viewpoint the concept of a static-type defense is unsound.

8. In stating certain implementing actions to the current military posture of the United States, the Joint Chiefs of Staff stated *inter alia:*

"Certain other countries such as Indochina, to which the United States has no specific commitment, are of such importance to the United States that an attack on them probably would compel the

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[2] Appendix "B", "Probable Magnitude of Logistic Implications", is not printed, but see footnote 3, below.

United States to react with military force either locally at the point of attack or generally against the military power of the aggressor."

It is considered that the rest of the Southeast Asian countries are included in the above category.

9. In view of the above, the United States should adopt the concept of offensive actions against the "military power of the aggressor", in this instance Communist China, rather than the concept of "reaction locally at the point of attack", which is the thesis of the action outlined in paragraphs 5 and 6 above.

10. The force requirements and the logistic support for the operations envisaged in paragraph 9 above are being considered but have not been fully developed. However, it is felt that adoption of this concept would provide a more acceptable return for the manpower and resources expended than would be the case in the concept of a static defense.

11. Upon the decision to implement either one or the other of these courses of action, it would be necessary to insure the degree of mobilization required to take care of the increased possibility of a general war.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

Appendix "A"

FORCE REQUIREMENTS

1. The general order of magnitude of forces considered necessary to hold Southeast Asia against further Communist aggression in the event Indochina is lost to the Chinese Communists is set forth below. These forces represent the estimated totals required without regard to the country from which they come.

2. Ground Forces

a. Burma (U.S. equivalent units)
   3 Infantry Divisions

b. Thailand (U.S. equivalent units)
   11 Infantry Divisions
   2 Armored Calvary Regiments
   15 AAA Battalions
   19 FA Battalions
   14 Engineer Combat Battalions

c. Malaya (For internal threat only)

- 6 Brigade Headquarters
- 23 Infantry Battalions
- 2 Armored Car Regiments
- 1 Field Battery
- 1 Field Squadron

3. Naval Forces—Southeast Asia requirement

- 4 CVA
- 2 CVS/CVL/CVE
- 8 CA/CL
- 54 DD/DDR/DDE
- 12 Convoy Escort Vessels
- 8 SS
- 1 Composite Mine Warfare Group
- 3 VP Rons
- 2 AV/AVP
- 1/3 Amphibious Lift (Div)
- 1 Underway Replenishment Group
- Auxiliaries and Coastal patrol craft as required

4. Air Forces

a. Burma and Thailand

- 2 Medium Bomb Wings*
- 5 Fighter Bomber Wings
- 2 Fighter Interceptor Wings
- 2 Light Bomb Wings
- 3 Troop Carrier Wings
- 1 Tactical Reconnaissance Wing
- 3 Mosquito Squadrons

b. Malaya (for internal threat only)

- 3 Maritime Squadrons (3 x 5 Sunderlands)
- 3 Transport Squadrons (3 x 8 Valettas)
- 3 Day/Fighter/Ground Attack Squadrons (2 x 16 Hornets 1 x 16 Vampires)
- 1 Squadron (5 Spitfire aircraft 8 Mosquito aircraft)
- 1 AOP Squadron (22 Austers)
- 2 Helicopter Squadrons (9 Dragonfly Mk 2/4, 6 S.55)
- 1 Medium Bomb Squadron [3]

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* Medium Bomb effort as required. For logistic support purposes this will approximate two wings. [Footnote in the source text.]

[3] Appendix "B" "includes estimates of necessary combat and support personnel to maintain the force levels set forth in Appendix "A". These figures are: Burma, combat 70,000 and support 65,000; Thailand, combat 252,000 and support 243,000; Malaya, combat 34,500 and support 29,000. The preceding figures are for ground forces. For naval forces, the estimates are combat 52,423 and support 64,645 for the entire area. The air force estimates are: Burma, combat 9,348 and support 6,232; Thailand, combat 46,398 and support 30,932; Malaya, combat 4,380 and support 2,920. Grand totals are 466,049 combat and 441,769 support troops, altogether 907,818 men.

Editorial Note

Asked at his press conference on May 25, concerning plans for five-power military talks, Dulles replied: "There have been going on a number of discussions with a number of countries with relation both to the political aspects and in regard to the military aspects of a possible collective action in relation to Southeast Asia. On the military side there have been plans for consultations both in relation to Thailand, where their military position is being reviewed, and Secretary Wilson is in Manila and is having conversations there with the Philippine Government with respect to its military positions. Some of his military advisers are there with him.

"There have been some suggestions about discussions between the three ANZUS powers, that is, Australia, the United States, and New Zealand, and also bringing in the United Kingdom and France. There has been no final decision on that matter as yet, but conversations as to that possibility are being considered. I want to emphasize, however, that these military talks are in no sense in substitution for political conversations which are continuing to go on. Nor are these five-power military talks, if they take place, in any sense exclusive. As I emphasized, there are also similar talks either going on or in contemplation with Thailand and the Philippines." (Department of State *Bulletin*, June 7, 1954, page 864)

A portion of circular telegram 441, May 28, 9:35 p.m., sent to all concerned European, Pacific, Asian, and South Asian Missions, reads:

> "In answer to press query this morning, departmental spokesman made statement in substance as follows: Governments of Australia, France, New Zealand, the UK and US have agreed talks will begin Washington June 3 between military representatives of their chiefs of staff. Discussions will survey military situation in Far East. Participating Governments have agreed talks will be without commitment. They will supplement concurrent talks with other countries; for example, talks which Wilson had at Manila this week with Philippines and talks here in Washington with Military Attaché of Thai Embassy. Talks also going on at Geneva with representatives of Vietnam, Laos and Cambodia. Forthcoming Washington discussions will form part of a total which will be of value to all free governments having interests in Southeast Asia area and they will also be useful in connection with military or political conversations which may take place on wider basis. In answer to further query he said that US will be represented by Admiral Carney." (790.5/5–2854; Admiral Robert B. Carney was Chief of Naval Operations.)

790.5/5-2754

Memorandum of Conversation, by the Officer in Charge of Thai and Malayan Affairs (Landon)

SECRET [WASHINGTON,] May 27, 1954.

Subject: Five-Power Staff Talks in Washington

Participants: Thai Chargé d'Affaires, M. R. Thuaithep Devakul
PSA—Mr. Day
PSA—Mr. Landon

The Thai Chargé d'Affaires, Mr. Devakul, was invited to call and was informed, on a confidential basis, that United States military authorities were inviting military representatives of Australia, New Zealand, France and the United Kingdom to meet at Washington on June 3 for staff talks regarding military problems in Asia. It was explained that these were further discussions in a series, previous meetings having been held at Hawaii and Singapore.

Mr. Devakul asked whether these discussions were part of the Secretary's program for "united action" to which Thailand had subscribed. It was explained to him that the proposed discussions were not essentially part of "united action" but might be regarded as a preliminary exercise which might be of value in "united action." It was pointed out that agreement among the concerned nations had not yet been reached as to "united action."

Mr. Devakul pressed his point and asked whether Thai military would be invited to join the staff discussions at Washington, pointing out that Thailand was in the heart of the problem area of Southeast Asia and was primarily concerned with any plans for easing the situation. He was informed that an invitation could not be extended at this time but that we would keep him informed of developments and would hope that the Secretary's program for "united action" including Thailand would develop.

Mr. Devakul was not satisfied and he gave his personal adverse reaction with force but with restraint.

Mr. Devakul then took his departure but apparently felt so strongly on the subject that he proceeded to Mr. Landon's office where he spoke without restraint in the Thai language using very strong metaphors to express his profound displeasure at the exclusion of the Thai military from the military discussions. He used such phrases as "another example of the archaic idea of the white man's burden" and "Thailand accepted 'united action' without reservation but apparently there is some reservation regarding the

Thai." He repeatedly made the claim that he was not critical of the United States Government or of the Secretary but blamed the United Kingdom. He asserted that it was his personal belief that if the United States Government were to join equally with Asian partners in opposing Communism it would have to take a very strong position to move the British and French into the atmosphere of the modern world.

Mr. Devakul was asked if he would like to discuss this problem with some higher official in the Department, perhaps even the Secretary. After some thought he decided that it would be preferable to await the return of Ambassador Sarasin who is expected to arrive in Washington from Bangkok on June 3 [1] with instructions from the Prime Minister regarding action at the United Nations. As he took his departure, Mr. Devakul was somewhat calmer and he commented several times that his reaction was not an official one but was his personal reaction and that his comments were to be regarded as purely his own and not those of his Government. [2]

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[1] In telegram 13 to Bangkok from Geneva, June 1, Smith reported on a conversation between himself, Robertson, and Ambassador Pote Sarasin the previous day:

"Sarasin reported Thai Prime Minister extremely upset that Thai not invited participate five power military talks in Washington. Under Secretary explained five power talks continuation of talks over period several years and did not represent discussion by members of collective security organ. Purpose of talks, in addition to impetus for collective action, was to obtain best possible military evaluation of Indochina situation. Other interested countries would be kept informed and at appropriate time it was hoped, have conference to include them. At this stage it would be impossible to get United Kingdom, Australia and New Zealand, if participation other countries included. Would be helpful if Sarasin could explain situation to his Prime Minister." (790.5/6–154)

[2] In his memorandum (written in the third person) of a conversation held with Philippine representatives, also on May 27, Bell wrote in part:

"Mr. Bell told Dr. Gamboa and General Romulo that five-power staff talks among the representatives of the Chiefs of Staff of the United States, the United Kingdom, France, Australia, and New Zealand would begin the latter part of next week. Mr. Bell emphasized that these talks would be wholly military.

"General Romulo, Dr. Gamboa, and the Philippine Armed Forces Attaché Captain Carlos Albert, who had been told of the proposed talks by Dr. Gamboa, all protested that they would cause an extremely bad reaction in Manila. General Romulo stated: 'This is the worst thing you could have done.' Captain Albert and Dr. Gamboa both supported this point of view." (790.5/5–2754)

Eisenhower Library, Dulles papers

Memorandum of Conversation, by Robert Cutler, Special Assistant to the President for National Security Affairs [1]

TOP SECRET [WASHINGTON,] May 28, 1954—9:15–10:55 a.m.

Present: The President, Secretary Dulles, Deputy Secretary Anderson, Admiral Radford, General Ridgway, Admiral Carney, General Twining, General Shepherd, [2] Mr. MacArthur, Mr. Bowie, and Mr. Cutler

1. The President said that at the outset he wanted to make two general points:

a. While military personnel should be entirely frank in expressing their military views to their associates in other government departments, they should not appear to be discussing issues from the policy point of view in public, or in negotiations with friendly countries.

b. In Indochina there were certain political prerequisites to establishing a satisfactory basis of operation, and without these prerequisites no purely military victory would prove worth having.

The President said that the course which the US would take was a political course, not determined entirely by military considerations, and that we must take care not to frighten our friends in negotiations by bellicose talk.

2. Secretary Dulles stated that the meeting was called to discuss the line of strategy to be used in the Five Power Staff talks. Whether or not so intended, there was always a risk that purely military talks would lead into political considerations. Secretary Dulles then referred to the May 21, 1954, JCS paper, entitled "Defense of Southeast Asia in the event of loss of Indochina to the Communists", [3] which he held in his hand. He remarked that its

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[1] This memorandum is attached to copies of two notes, both dated June 1. In the first, MacArthur informed Cutler that he was returning the memorandum with some penciled modifications. In the second, Cutler replied: "Thanks for your notes. I've adopted all changes on my copy except those checked in red, which I don't recall. They are probably correct but I don't recall them." As printed here, portions of the original memorandum which MacArthur wished to delete are indicated in cancelled type and his additions are italicized. Alterations which Cutler did not adopt are identified by footnotes.

In a note to O'Connor, June 2, MacArthur wrote in part: "You will note that he adopted some of our changes but did not adopt four of them as he did not recall them. This is probably not too important, as his notes are informal and are not a record. However, my notes were quite accurate, and I feel that the suggested changes we made reflect accurately what took place. In particular, the first paragraph (no. 10) at the top of page 4 did not accurately portray what either Bob Bowie or myself understood the Secretary to say." (Attachment, below)

[2] Gen. Lemuel C. Shepherd, Commandant, U.S. Marine Corps.

[3] See the attachment to the letter from Acting Secretary Anderson to Dulles, May 25, p. 514.

basic thesis was that if Indochina were lost, there was no validity in attempting a static type defense, but it would be necessary to strike directly at *the sources of power of* Communist China. While not attempting to appraise this military issue, the Secretary said that if the US entered the Five Power Staff Meeting advocating this thesis, it was his political judgment that there would be no further progress made in the Five Power Staff talks. It was necessary to moderate our purely military judgments to take account of political factors, to give the Thai people, the Burmese, and the Malayans some hope *that their area would not simply be overrun and occupied until China was destroyed*, in order to keep them on our side. The Secretary said that retaliation against overt Chinese Communist aggression was acceptable as a policy on a limited basis, but not in the broad context indicated in the JCS paper. He was referring to retaliation against overt Chinese Communist aggression, and to retaliation against military targets in China supporting such aggression. He recalled that at the Bermuda Conference, Sir Winston had agreed that in the case of new Chinese Communist aggression in Korea, there might be (after a 48 hour interval to show clearly the armistice was broken by the Chinese) a retaliation against military targets in China *in the general vicinity, directly* supporting the aggression. Secretary Dulles went on to say that we should not abandon the idea of a NATO type defense in Southeast Asia, which, while inadequate in itself, would, if properly supported, have a deterrent value. *In other words, we must have some local defense, but not as much as the JCS paper calls for, to combine with the deterrent effect of our striking power.*

3. Secretary Dulles then went on to spell out what he meant by limited military objectives in China which might be retaliated against in the event of overt Chinese aggression: airfields and communication lines being used to support the aggression; amphibious operations against a place like Hainan, which if held by friendly forces would be a serious threat to Communist China. The US to hold its allies would have to limit its counter-measures to *targets having a* demonstrable connection with Chinese aggression. If our plan were initially designed to destroy the total power of China, our allies would think we were heading toward general war. The Secretary pointed out that of course in attacking limited objectives, as described, we would inevitably risk a more general war; but if we leapt to general war all at once, our allies wouldn't leap with us. He added that we should be ready to lend token or small (ground) forces to local countries for their defense so that they would not feel abandoned, with only our promise that after we had conquered the Chinese and driven them out, we would liberate these local countries.

4. The President intervened to say that the US should so conduct itself as not to lose to the free world side the *300,000 to* 400,000 French Union forces now in Indochina.

5. Admiral Radford then referred to the NSC decision last winter as to the type of retaliatory attack to be made by the UN if the Communists broke the armistice by a fresh aggression in Korea: a retaliation limited to military targets in China related to the Chinese Communist offensive operations in Korea. He said that the May 21 JCS paper to which the Secretary referred was intended to be a comment by the JCS upon the request of the Thai for the expenditure of US money in building airfields in Thailand and making a military defense in Southeast Asia (after the fall of Indochina) against Chinese aggression. He said that ~~of course~~ the Chinese Communists would *probably* not overtly aggress against Thailand if they got possession of Indochina, but would resort to subversion. The point of the JCS paper was to make clear the unsoundness of a military defense line in Thailand and Burma, with large forces deployed there, in order to repel there overt Chinese aggression. In order to stop such aggression, it was not militarily sound to make a defense base in Thailand; the necessary counter-measures were an attack on Communist China. In fact, Thailand would be harder to defend militarily than Indochina. Admiral Radford then referred to three plans which were currently in preparation:

a. A plan by Hull to meet renewed Chinese Communist aggression in Korea by attacking military targets in Manchuria and North China.
b. A plan by CINCPAC to meet overt Chinese aggression in Indochina by attacking military targets in South China.
c. A plan by SAC for attacking military targets between North and South China in the event of wider hostilities.

Admiral Radford accordingly thought that there was no difference of opinion really between himself and the Secretary of State, and certainly no disagreement between the British and US Chiefs, as to base agreement in Thailand. However, he thought Thailand was a poor place in which to spend money for the defense of Southeast Asia.

6. The President intervened to say that we should not lose any asset we don't have to lose. We don't have to station a lot of American troops in Thailand, but we want to keep Thailand friendly, and to keep the French in the game. Pending effective united action, countries participating, other than the US, and having local land areas to protect, should furnish ground troops. The US might put in a division of marines temporarily in Southeast Asia. The President pointed out again that our friends thought we were belligerent, wanted to fight, and were immature; therefore, we must be

careful not to alarm them. *The President said if the military were going to talk about atomic weapons during the Five Power discussions, he hoped we could stimulate one of the other countries to raise the subject rather than have the U.S. introduce it.*

7. Admiral Radford said that *it was not necessary in the military talks to mention atomic weapons. We could just say we would attack military targets which directly support Chinese action against Indochina or Korea without specifying the weapons. Admiral Radford then said* [4] it would be possible to attack military targets in North and South China, supporting overt Chinese Communist aggression, with conventional weapons, but that *for some targets* it would be ~~much~~ more effective and ~~much~~ cheaper to do so with new weapons. (~~t~~*T*here was no indication at the time of dissent from this indicated use of new weapons in the event of overt Chinese Communist aggression. ~~)~~ *Later* ~~M~~*m*ention was made of the undue alarm which will arise ~~by~~ *from* talking about the use of new weapons, unless we ~~had~~ *have* to answer a question.) [5]

~~(~~8. Admiral Carney, who will represent the Chiefs at the Five Power Staff talks, asked for guidance as to how to keep the discussions to a military basis. The President said that he would have "to play it by ear" as they went along, but that every effort should be used to keep them talking. He suggested trying to keep the French in the fight by referring to their preponderance of troops and experience, as a reason for deferring to them in matters of command of ground operations. This approach would flatter the French vanity, and buck them up. The President went on to say as the US would be the principal supplier of sea and air power, we should have a good deal of freedom of action there.~~)~~

9. On the question of the agenda for the Five Power Staff talks, Admiral Radford feared that the British might want to talk about a limited defensive line in Southeast Asia, whereas we want to talk about the whole issue. The President spoke very highly of General Harding, and doubted if he would have come over here with a limited and rather hopeless point of view.

10. Secretary Dulles then indicated his opinion of the UK policy. The British are trying to get cease-fire and armistice based on partition of the States. They are abandoning the pocket or enclave idea. The British position to which the French would agree would *eventually* bring about peace, a total pull-out of French Forces, and a weak non-Communist regime ~~at the back of~~ *in the south of* Indochina. Then the British would seek to extend ANZUS to include

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[4] This addition to Admiral Radford's remarks was not adopted by Cutler.

[5] The period after "weapons" in the ninth line and the closed parenthesis after "question" in the last line of paragraph 7 are part of MacArthur's revision.

the UK, and would get ANZUS to guarantee a buffer north of Malaya to protect Malaya and Hongkong. Thus cleverly, the British *would be able to pass as the peacemakers and go between for east and west, and* would strengthen their ties with India and Malaya, without any real expense by the U~~S~~*K*. Of course, the US would *have to consider whether it could* ~~dis~~associate itself ~~from~~ *with* such a settlement at Geneva, and ~~would~~ ~~decline~~ ~~to~~ *whether in such event it could* join in a regional grouping for the purpose described.[6] Secretary Dulles thought this result might be evidenced during the next two weeks.

11. The President directed Admiral Carney to keep in close touch with the State Department from day to day during the talks. He said he thought the British were more interested in Hongkong than Malaya, that they did not want to be a partner to making advances on Communist China which might prejudice their position in Hongkong.

12. Dulles then raised the question of the advisability of sending *an* ~~two~~ ROK division~~s~~ to Indochina. *He said if an additional division were needed in Indochina he would prefer to have a ROK division go there rather than US ground forces [even if?] this meant keeping an additional U.S. division in Korea.*[7] Radford immediately agreed. It was felt that the use of Asian troops in Indochina would be a great advantage over the use of white troops. In order to make such a transaction possible, the US might be willing to put a US division back into Korea. Radford pointed out that of course Rhee would ask for something in return, although he had recently renewed his offer of ROK troops for Indochina.

13. The President stated the great objectives of the US to be watched during the Five Power Staff talks:

1. Try to hold on to whatever strength exists now in Southeast Asia.
2. Bring in to the defense native peoples, willing and anxious to protect themselves~~;~~, *in a way which makes clear that we are not supporting colonialism.*

14. Dulles referred to an editorial in the *Washington Post* this morning which (strangely enough) took the line that the US should not go so far in opposing colonialism as to risk the security of the world.

15. Dulles then read the attached memorandum to the meeting, copies of which were distributed: [Here follows the memorandum as filed. Because it is a separate document, it is printed as an attachment below.]

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[6] Cutler did not adopt the modifications in this sentence.

[7] Cutler did not adopt the modifications in this paragraph.

16. Dulles felt quite sure that the British did not want to participate in talks which would ~~lead~~ *imply that* the UK ~~into~~ *would* ~~participation~~ *participate* in the present fighting in Indochina. Radford did not agree to this judgment. In response to the Secretary's question whether the Tonkin Delta could be held by redeployment of French Union Forces, Radford answered in the clear affirmative, but that it would be necessary to have competent Vietnam forces to take it. Dulles referred to the necessity of holding enough Vietnam territory from which to recruit more forces. On the issue of whether the French were or were not now willing to sign the two treaties with Vietnam, Dulles said he understood from Dillon [8] that they were now prepared, but that the Emperor was uncertain. *Radford said that success in any military operations in Indochina depends on creating a political atmosphere and effective Vietnamese Government which will enlist Vietnamese support. Without this military success would not be obtained.*[9]

17. Dulles said that it was his original understanding that talks between the US and French on preconditions of intervention ~~include~~ *including* training, recruiting, command, etc. ~~This~~ should be done in Paris rather than as a part of the Five Power Staff talks. Dillon had just now recommended that these talks be carried on in Washington; but they would have to be separate from the Five Power Staff talks, between France and the US.

18. If it turns out that the British do wish to limit the Five Power Staff talks to merely a holding operation, or something to be done after Geneva, Dulles took the position that the Five Power Staff Conference should not be broken off, because it was valuable as window-dressing with the Russians, who had no way of knowing what was going on. Radford said he felt quite sure that the Chiefs of Staff of Australia and New Zealand had an idea similar to the idea of our Chiefs.

19. Dulles feared that Mr. Eden was trying to do what Chamberlain had done, bringing back from Geneva "peace in our time", and get elected Prime Minister.

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[8] C. Douglas Dillon, Ambassador in France.

[9] Cutler did not adopt this addition to Admiral Radford's remarks.

[Attachment]

Memorandum by the Secretary of State to the President [10]

TOP SECRET [WASHINGTON,] May 28, 1954.

Subject: Memorandum of the Joint Chiefs of Staff on the defense of Southeast Asia in the event of loss of Indochina to the Communists

I. *Objectives*

1. If all or part of Indochina is lost to the Communists, our objectives must be to prevent the loss of the rest of Southeast Asia—

a. by Communist subversion within the free countries; or,
b. by overt aggression from Communist China or the Viet Minh.

II. *JCS Paper*

2. If there is overt military aggression by Communist China, or forces which are directed by it, then I am inclined to agree with the thesis of the JCS that we should not rely primarily upon a static type of defense (as in Korea) but rather on an offensive against Communist China. This latter does not seem to me to require an all-out war against Communist China designed to destroy what are called the "sources" of its power. It might well be that under these circumstances it would be adequate to limit our offensive to areas and facilities which are related to China's offensive. I have in mind, for example, attacking in China airfields and communication lines and other bases which are used to support the offensive, and possibly the seizure by amphibious operation of an island position such as Hainan, which at the point of junction of Indochina and China would seriously threaten their lines of communication and carry a threat supplementary from that of Formosa to the South China mainland.

3. You will recall that at Bermuda we discussed with Churchill and Eden the area of possible attack against China, if the Korean truce would be violated, and it was then understood that the area to be subjected to our attack would be an area which bore some demonstrable relationship to the attack itself. [11]

4. It is, of course, possible that the area of conflict would expand in a cyclical manner, but I do not think that we necessarily have to base our strategy exclusively on unlimited war.

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[10] The memorandum bears the following typed marginal note: "May 28/54 as presented by the Secretary of State at meeting in President's office in a.m."

[11] The major discussion at the Bermuda Conference of consequences of a possible truce violation in Korea took place during the second restricted tripartite session of the Heads of Government meeting. For a memorandum of this meeting, held Dec. 7, 1953, see vol. v, Part 2, p. 1809.

5. Whatever may be the military judgment on this matter, I can say that from a political standpoint, it will be difficult for us to achieve a working coalition unless it is based upon an effort at least to limit the consequences of a possible future Chinese aggression in Southeast Asia.

6. Furthermore, I feel that in order to retain the loyalty of the peoples whom we would defend, it is necessary to pay some respect to the concept of local defense. As in the case of NATO, the local defense does not need to be sufficient to withstand an all-out attack. It should be sufficient to deter such an attack since the local defense would be powerfully reinforced by the other offensive deterrents, of which I speak.

III. *Subversion*

7. It is, in my opinion, more likely that a Chinese offensive against Southeast Asia would take the form of subversive and indirect aggression rather than open direct aggression. This does not seem to be dealt with at all by the paper and perhaps this is not a type of problem on which the JCS wish to express themselves as it largely involves political judgment.

8. In my opinion the risk of subversive indirect aggression can be largely countered by some buildup of local forces, as in Thailand, by some token participation of forces of the coalition and by economic and social measures which may cost us some money but infinitely less than would be required to build a major military, defense in the area which I agree seems quite unwise to attempt.

IV. *Conclusion*

9. In summary I conclude that if all or part of Indochina is lost, there is (?) a reasonable possibility of holding the rest by a policy of collective defense implemented by a small measure of static defense plus considerable economic aid, plus a clear willingness in the event of open attack to use offensive measures which are however in the first instance at least to be limited to and related to the offensive itself.

Conference files, lot 60 D 627, CF 320

Memorandum by Robert Cutler, Special Assistant to the President for National Security Affairs, to the Secretary of State [1]

TOP SECRET WASHINGTON, June 2, 1954.

Attached is a copy of my notes of this morning's Conference in the President's office.

For my own convenience, I have summarized the Conference as follows:

a. In the event of overt, unprovoked Chinese Communist aggression in Southeast Asia which would be a direct threat to the security of the United States and to other nations having security interests in the region, Congress would be asked immediately to declare that a state of war existed with Communist China, and the U.S. should then launch large-scale air and naval attacks on ports, airfields, and other military targets in mainland China, using as militarily appropriate "new weapons", in the expectation that some of such other nations would join in opposing such aggression.

b. The U.S. should seek firm agreement in advance from other nations having security interests in the region (such as some, or all, of the Philippine Islands, Thailand, France, the Associated States, Australia, New Zealand, etc.) to join with the U.S. in counteracting this threat to the security of the free world.

I trust that the Secretary of State will make an appropriate summary to present at the Council Meeting tomorrow.

ROBERT CUTLER

[Attachment]

Conference in the President's Office, June 2, 1954, 11:45 a. m.

Present:
The President
Secretary Dulles
Deputy Secretary Anderson
Admiral Radford
Mr. MacArthur
Mr. Cutler

1. Secretary Dulles said that he had asked the President to hold the meeting so as to be sure that there was uniformity of views with respect to action which the U.S. might take in the Far East. He drew a sharp distinction between the types of action:

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[1] For background information on this memorandum and its attachment, see Cutler's memorandum of a conversation between himself and the President on June 1, vol. XIII, Part 2, p. 1647.

a. Intervention by the U.S. in the Indochina conflict as a part of a collective grouping and subject to the preconditions already agreed upon.

b. In response to overt unprovoked Chinese Communist aggression in the Far East.

Secretary Dulles pointed out that in view of what he and the President had already said, it seemed to him that such overt unprovoked Chinese Communist aggression (by air, sea or ground) would be like a declaration of war against the United States by Communist China, and would involve a direct threat to U.S. security. In such case he thought the President should go to Congress for authority to act in the best interests of the United States, without any requirement of having to bargain with other nations as to how they would act.

2. The President asked whether the U.S. should not look carefully to see whether it was more directly threatened by this overt unprovoked Chinese Communist aggression than was the U.N. If he was to go to the Congress for authority, the President said, he would not ask any half-way measures. If the situation warranted it, there should be declared a state of war with China; and possibly there should be a strike at Communist Russia in view of her treaty with China. Reiterating that he would never be willing to have the U.S. go into Indochina alone, the President asked Secretary Dulles how he would state his appeal to Congress for authority in the case of overt unprovoked Chinese Communist aggression.

3. Secretary Dulles stated that he would say that another aggressor was loose in the world; that this open unprovoked action by Communist China threatened the security of the United States and those allied with the United States by treaty. When the President asked if these circumstances would bring the ANZUS treaty into operation, the Secretary replied that it would. The President wanted to know how we could get the people of the United States behind a U.S. action to attack Communist China for aggressively moving to the south and not to the north against Japan. The Secretary replied that both the President and he had already publicly said that they would not tolerate a deliberate open act of aggression by the Communist Chinese. The President stated that he had always put the idea of collective undertakings in what he said, and that what he was now pleading for was preliminary preparation so as to be sure that someone was ready to go along with the United States in the event of open unprovoked Chinese Communist aggression. He also pointed out that the temper of the people in the U.S. was such today that the Administration, in asking for authority to use force against the Communist Chinese, might be defeated or that the resolution might just squeak through. The President said

that the question at issue was not one merely of logic, but of how to bring along the American people into a realization of the danger to U.S. security in an open unprovoked Chinese Communist attack.

4. Radford intervened to say that he had just talked with the Chief of Staff of Australia, and that he was heartily with us in our view. In fact, General Rowell said that he was surprised that, now the election was over, the U.S. hadn't already turned the heat on Australia.

5. The President reiterated his apprehension about the U.S. going it alone. If there were an open unprovoked Chinese Communist aggression before a settlement at Geneva, he supposed the U.S. would have with it Thailand, the Philippines, France, and the Associated States. He thought we should work now to get some others like Australia to be ready to stand with us. Then it would be much easier to make plain to the Congress and to the American people why it was necessary for the U.S. to act. If, under these circumstances, the U.S. took action against Communist China, the President said there should be no half-way measures or frittering around. The Navy and Air Force should go in with full power, using new weapons, and strike at air bases and ports in mainland China.

6. Several people expressed the view that, particularly if the position of the U.S. were clear to the world, Communist China would not be likely to commit an act of open unprovoked aggression in Southeast Asia. The President suggested that the Secretary of State should state at a press conference that when appropriate arrangements with allies had been made, such specific allies would be prepared to stand with the United States in such an event. Of course, he went on, if all our allies desert us and none will stand with us, that would be a different story, requiring a different consideration. We have got to keep the Pacific as an American lake.

7. Reference was made to Thailand and the Philippines having been hurt by non-inclusion in the Five-Power Staff Conference. The President said that it should be made very plain to them that the Five-Power Staff Conference was only one of several group talks being held, and that the purpose of it was not to make definite plans for the defense of Southeast Asia, but rather to use what forces the participating countries could marshal. We agreed with Radford that the talks should be kept as short as possible, and that there should be the minimum publicity about them.

8. At the end of the meeting, Cutler suggested to the Secretary of State that he prepare a paragraph satisfactory to him for use in the record of tomorrow's Council meeting.

ROBERT CUTLER

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 200th Meeting of the National Security Council Held on Thursday, June 3, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

The following were present at the 200th Meeting of the Council: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Director, Bureau of the Budget; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; Robert R. Bowie, Department of State; Robert Amory, Jr., Central Intelligence Agency; the White House Staff Secretary; Bryce Harlow, Administrative Assistant to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the main points taken.

. . . .

5. U.S. Policy in the Event of Overt Unprovoked Military Aggression by Communist China

Mr. Cutler described a recent conference with the President [2] respecting the problem of U.S. action in the event of overt Chinese Communist aggression. The subject had arisen again as a result of French fears that the Chinese Communists might send MIG–15 planes over the Delta area and thus neutralize the French Air Force. Mr. Cutler then read pertinent paragraphs from the U.S. policy paper on Southeast Asia, [3] and circulated to the members of the Council a proposed statement of policy [4] designed to clarify U.S. policy in the event that Communist China committed overt unprovoked military aggression against Southeast Asia, Korea or Formosa. He read the proposed statement to the members of the Council.

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[1] Drafted by Gleason on June 4.

[2] Cutler's memorandum of the conference held on June 2 is attached to his memorandum of that day to Dulles, *supra*.

[3] NSC 5405, Jan. 16, p. 366.

[4] It is not clear whether this is a reference to a possible draft of the Action or to some other unidentified paper.

The President commented that if the United States undertook to counter such Chinese Communist aggression alone, as seemed to be a possibility in the statement read by Mr. Cutler, such a course of action would mark the complete collapse of the American policy of united action with its allies around the world. Speaking with great conviction, the President went on to say that if our Pacific allies will not agree to join in action with us against overt Chinese Communist aggression, they would have in effect quit on us. Such an event would be the time for the "agonizing reappraisal" of basic U.S. security policy. The President said that he thought that it was right for the United States to commit armed forces to prevent overt Chinese Communist aggression, provided he was able to go to the Congress and say that we have allies such as Thailand, Australia, New Zealand and the Philippines, who are ready to join with us in resisting such aggression. If these nations, however, refuse to go along with us, the situation would be very different. All our significant allies would have collapsed. In these circumstances if the United States was to initiate a war, we ought to consider whether the war should not be against the USSR. Any thought of going into China alone, said the President, was completely contrary to all our basic objectives, and we had accordingly better change our policy.

With respect to the statement of policy which Mr. Cutler had read, the President said it certainly should be revised to include the assumption that if the President sought authority from Congress to use American armed forces against Communist China, such a move would be taken in concert with our Pacific allies. The President said that he realized that the main burden of such a war would have to fall on the United States. Our allies could be expected to provide little more than token forces. Nevertheless, reiterated the President, he did not wish the United States to stand alone before the world as an arbitrary power supporting colonialism in Asia.

Secretary Dulles pointed out that the issue we were talking about at the moment was not the issue of our pre-conditions for intervening in the current conflict in Indochina. The actual issue posed by overt Chinese Communist aggression was whether we would accept a direct and open challenge to the United States by Communist China. If the Chinese Communists committed an overt unprovoked aggression, this would be tantamount to a direct attack on the United States, since he and the President had already publicly warned the Chinese Communists of the grave results of such overt aggression against South Korea, Japan, Formosa, and Indochina. In addition to these public warnings, Secretary Dulles said that he had warned Molotov privately of the consequences of Chinese Communist aggression during the course of the Berlin Conference.[5] If, in the face of all these warnings, both public and private, the Chinese Communists deliberately attacked any of the areas in question, Secretary Dulles said he would regard it as throwing down the gauge of battle to the United States. If we did not pick it up we might just as well get out of the Pacific. Secretary Dulles said that we should not permit our allies to exercise a veto power on what we did in the event of overt Chinese Communist aggression, for such aggression constituted an open threat to the United States position in the Pacific. At some point in time or space, some nation has got to be strong enough to stand up against further Communist aggression. If the United States makes this decision, Secretary Dulles predicted that other nations would join the United States in short order. We should not, however, let the willingness of our Pacific allies to concert with us become a condition to our action to repel overt Chinese Communist aggression. Finally, said Secretary Dulles, if the United States is really prepared to resist overt Chinese Communist aggression, it was very unlikely that the Chinese Communists would risk committing such aggression.

Secretary Wilson expressed the opinion that the Chinese Communists were very unlikely to resort to overt aggression. Instead, they would support revolutionary movements in their neighboring states. He then inquired of Secretary Dulles what the United States would do if the Chinese Communists were to send "volunteers" into the Indochina war. Would such a move constitute overt aggression?

Secretary Dulles said that the statement of policy, as read by Mr. Cutler, was merely intended to cover the very unlikely contingency of overt Chinese Communist aggression. Secretary Humphrey said that he would nevertheless like to hear an answer to Secretary Wilson's question as to the definition of overt aggression.

Admiral Radford and several members of the Council suggested that the United States would have to decide what constituted overt aggression. Certainly the Chinese Communist intervention with "volunteers" in the Korean war constituted overt aggression.

The President reiterated his fear of leaving the United States alone to do the job of resisting overt Chinese Communist aggression without the support of other nations. He said that of course we would have to do this if failure to accept the challenge meant the loss of our own position in the Western Pacific. He was at a loss, however, to understand why we were compelled to tell the French and our other allies how we would respond to overt Chinese Communist aggression if they were not prepared to join with us in concerted action if this contingency should ever arise. He also stressed the vital importance of being able to tell the members of Congress, when he sought authorization, that we would have allies in any war we undertook to repel Chinese Communist aggression. If he could not say this much to the Congress, he doubted whether many of its members would understand what was really at stake.

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[5] For documentation on the Four-Power Conference at Berlin, Jan. 25-Feb. 18, see volume VII.

Mr. Cutler suggested an amendment to the proposed statement of policy which introduced an assumption of concerted action but did not make concerted action a condition for the use of U.S. armed forces to resist overt Chinese Communist aggression. The President said he was sympathetic to such a revision, and again stressed the point that if none of our allies would go along with us in resisting the Chinese Communists, the decision confronting the United States would be much greater and more significant than the decision merely to bomb airfields, communications lines, and other facilities in Communist China which directly supported the Chinese Communist military effort. It would indeed be a decision whether the United States should go to all-out war with Communist China and bomb such cities as Peiping.

Secretary Dulles commented that of course no one wanted allies more than the United States. Some one of the nations, however, must take the lead. After all, the Australian Government, for example, could not commit itself in advance to joining us in resisting Chinese Communist aggression. That Government would have to secure the authorization to do this from the Australian Parliament, just as the President would from the U.S. Congress.

The President said that at the very least we could ask the governments of our Pacific allies to agree to request such authorization from their parliaments on the same day that the President himself sought such authorization from Congress.

Thereafter a number of suggestions were made to revise the original statement of policy. After a considerable interval, Secretary Dulles suggested the addition of a new paragraph which would permit the United States to reconsider its proposed course of action in the event of overt Chinese Communist aggression if our allies refused to concert with us in meeting this aggression.

(At this point the President and Secretary Dulles left the meeting because of previous engagements, and the Vice President took over the chairmanship of the Council.)

There followed a brief discussion of what course of action the United States would follow if the Chinese Communists hit Indochina with MIG-15's. Admiral Radford stated that he was obliged to take up this issue with the Secretary of State at once, since the

French were pressing for an answer to this question in the next day or two.

The Vice President then expressed the conviction that if the Chinese Communists moved overtly against any free country in the Asian area, and the United States, with allies or without them, did not move to resist such an aggression, "the jig was certainly up". The Vice President reminded the Council not to forget that when North Korean forces moved into South Korea, President Truman undertook to resist the aggression without even consulting Congress. To him, said the Vice President, the question was not whether the United States would act in a similar contingency, but how it would act. Should we fight China, or should we fight Russia, we would certainly have to do something.

Secretary Wilson inquired as to the effect of the French loss of the Tonkin Delta. Admiral Radford replied that this would mean the loss of all the rest of Indochina to the Communists in very short order. The Communists want all of Southeast Asia, and seem to be in a fair way to get it. Mr. Allen Dulles expressed agreement with this view, and further predicted the loss of the Delta if extraordinary measures were not promptly taken to save it.

The Vice President then asked Mr. Bowie, who had taken Secretary Dulles' place at the table, if it was not probable that the French would accept a settlement at Geneva which would be quite unsatisfactory to the United States. Mr. Bowie said that he agreed with the Vice President's fears, and said that unless the Communists were hopelessly adamant, the French were very likely to accept some kind of partition of Indochina which would be unsatisfactory to the United States. Admiral Radford, however, expressed the opinion that the French would have no choice but to fight to save the Delta, if for no other reason than that they must evacuate approximately a hundred thousand civilians of French nationality or sympathy.

The Vice President then asked Mr. Bowie what official position the United States would take in the event that the French accepted a partition solution from the Communists which the United States regarded as unsuitable. Mr. Bowie replied that theoretically, of course, the United States could initially disassociate itself from any such French agreement, but from a practical point of view we would have to recognize the boundaries established by the partition agreement if the United States proposed to try to defend the rest of Southeast Asia against Communist control. He added that the situation would be further complicated if Bao Dai refused to accept a French settlement at Geneva and asked the United States what it was willing to do if the Vietnamese continued the war.

Admiral Radford expressed the opinion that Hanoi might be the sticking point for the French in their negotiations at Geneva. If the French lose this city the result would be militarily disastrous.

The National Security Council: [6]

a. Noted the views of the Secretary of State, as presented to and approved by the President on May 28, 1954, as to the nature of offensive action against Communist China which the United States should take in the event of overt unprovoked military aggression by Communist China.

b. Agreed that:

(1) U.S. policy should be that, if Communist China should commit overt unprovoked military aggression in the Western Pacific area or Southeast Asia:

(a) The President would at once request approval from Congress for use of the Armed Forces of the United States against Communist China to defeat the aggression; and
(b) The United States would seek to persuade our Pacific allies, Thailand, and other free nations to join in the action, with such help as each can give, and to support an appeal to the United Nations by the parties attacked.

(2) The Secretary of State should advise Australia, New Zealand and the Philippines, as parties to mutual security treaties with the United States, of the foregoing U.S. policy, and should seek to obtain the commitment that, if the contingency should occur, each of those governments would at once request authority, in accordance with its constitutional processes, to join in such action. If such commitments cannot be obtained, the U.S. policy expressed in (1) above will be subject to reexamination.

Note: The above action, as approved by the President, subsequently transmitted to the Secretary of State for implementation of subparagraph b-(2) thereof.

S. EVERETT GLEASON

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[6] The following paragraphs a and b constitute NSC Action No. 1148. (S/S-NSC (Miscellaneous) files, lot 66 D 95)

790.5/6-454

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

TOP SECRET WASHINGTON, June 4, 1954.

Subject: Collective Defense in Southeast Asia

Participants: Ambassador Spender, Australian Embassy

Mr. J.L. Allen, Second Secretary, Australian
Embassy
The Secretary
Mr. Merchant, Assistant Secretary, EUR
Mr. Raynor, Director, BNA

Eyes only Ambassadors and General Smith. Ambassador Spender called on the Secretary this afternoon at his (Spender's) request. He had previously sent down the attached memorandum [1] putting certain questions. He opened the conversation by saying that the Secretary would recognize that these were not his questions and would realize that many of them had been discussed previously with the Secretary or with Mr. Merchant. Ambassador Spender indicated, however, that he had been instructed by his Government to call and ask them. In view of the shortness of time it was agreed that in this discussion the Secretary would concentrate on a few of the more significant questions and Ambassador Spender could follow up on the others later with Mr. Merchant if he desired to do so. Ambassador Spender said that the Cabinet had met yesterday but that thus far he had not received a report on the meeting. Ambassador Spender then paraphrased the first question in the memorandum by putting it: "If a conference is held would it deal with one or the other or both of the subjects of collective arrangements for Southeast Asia as a whole and international military intervention in Indochina?" He said the Australian position was that they were ready to sit down in a conference on collective arrangements for the area as a whole but had certain reservations with respect to the subject of international military intervention in Southeast Asia. The Secretary replied that the problem of collective action constantly shifts with the passage of time and the situation is much different and more difficult now than it was on March 29 as intervention would now carry with it more liabilities. He said the French have not requested formal intervention but have been using this subject as a card to play at Geneva. The Secretary said the question was not susceptible to a categorical answer and that the answer would have been easier two months ago than it is now. He said we still desired a conference of the ten countries and that as of today, in addition to discussing collective arrangements for the whole area, we would want to discuss courses of action presently open to us. The latter point, however, might change.

Ambassador Spender then raised question 4 of the memorandum [2] and the Secretary said that we had objected to partition in

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[1] Not printed, but see footnotes 2, 3, and 4, below.

[2] Numbered paragraph 4 of the memorandum reads:

Continued

part on the belief that neither Viet side would accept it. While we would oppose partition we can see the possibility of a military regrouping which would lead to a rather long *de facto* division of authority but not necessarily to partition and that this might be acceptable as being consistent with the concept of a united country. The Secretary said we can see no basis at all for partition or regrouping in Laos or Cambodia as there are no hostile forces in those areas and no authentic rival authorities despite the recent Communist fictional invention of some purported authorities. We do, however, accept the fact that the situation in Viet Nam is subject to some military regrouping perhaps accompanied by a degree of *de facto* division of authority and may be necessary as a step to end the fighting in Viet Nam.

The Ambassador then raised the question under 2 (a) of the memorandum.[3] The Secretary replied that these questions could not be answered categorically with which the Ambassador agreed. He said circumstances are constantly changing and the conditions under which military intervention would be feasible cannot be stated. He said, for instance, would the French be prepared to move in more troops or would they on the other hand move troops out. What would be the state of morale of the French and the Viet Nam. Also, if the French made a settlement at Geneva of a certain type the possibility of intervention might be foreclosed as we could not go in to upset a settlement which the French had reached. On the other hand if the Geneva talks should break off without a settlement the situation would then have to be considered in the light of the circumstances prevailing at that time.

Ambassador Spender finally raised the question under 2 (c)[4] and the Secretary said again this was a question which could not be answered because the degree of Asian support and United Nations support would depend on the nature of the action contemplated or taken and this we could not determine at this time.

"4. *Partition:*

"The Australian Government does not necessarily reject the possibility of the partition of Vietnam as an acceptable settlement.

"In United States view, what is the distinction between military regroupment and partition?

"Is United States Government opposed to partition in *any* circumstances?"

[3] Questions in numbered paragraph 2 (a) follow:

"What are the circumstances (if these can be stated) in which the United States would contemplate military intervention?

"What is the irreducible minimum result required at Geneva, in the absence of which the United States would contemplate military intervention?"

[4] Numbered paragraph 2 (c) follows:

"What is the United States estimate of (i) Asian support and (ii) United Nations support for such action [military intervention]?"

790.5/6-454

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

TOP SECRET [WASHINGTON,] June 4, 1954.

Subject: Overt Chinese Communist Aggression in Southeast Asia

Participants: Ambassador Spender, Australian Embassy
Mr. J. Allen, Second Secretary, Australian Embassy
Ambassador Munro, New Zealand Embassy
Mr. R.H. Wade, First Secretary, New Zealand Embassy
The Secretary
Mr. L.T. Merchant, Assistant Secretary, EUR
Mr. H. Raynor, Director, BNA

Eyes only for Ambassadors and General Smith. The Secretary called in Ambassadors Spender and Munro late Friday afternoon [1] indicating to them that he wanted to speak to them as representatives of our ANZUS allies. He said that on many aspects of the Indochinese problem, as well as Southeast Asia in general, the situation was so fluctuating and indeed so unpredictable that it was most difficult for Governments to take firm positions. There was, however, in his opinion one question which even though its occurrence was felt by us to be unlikely was one on which he felt it would be possible to take a firm position and thus provide at least one firm and solid point in an otherwise fluctuating situation. He referred to the question of what should be done should there be overt Chinese aggression in the area.

The Secretary then made the points contained in the attached "Talking Paper" and handed a copy of this paper to each of the Ambassadors. The Secretary emphasized the fact that the action we were proposing was for the contingency of overt Chinese aggression and was in no sense a substitute for what needed to be done in any event for the defense of Southeast Asia under present circumstances.

The Secretary added that we were convinced that should recent Communist successes in Indochina "go to their heads" and cause the Chinese Communist to run amuck this would mark the beginning of a course of developments which if they were not dealt with seriously and at once would lead to a threat to the position of the three ANZUS countries in the Pacific. While we don't expect this development we do feel there is enough risk that it might take place so that it is only prudent to prepare to meet it and by making such preparation provide one solid fact in this generally cloudy situation. The Secretary did not feel we could afford to let overt aggression in the area pass unnoticed. The United States for its part has already indicated that it could not let it pass. If the United States should back down from this position the result would be very serious and the United States does not intend to back down. As our allies under the ANZUS Treaty, we hope Australia and New Zealand will support us on this matter politically and morally. The Secretary said that this proposal does not mean a request at this time for specific military commitments.

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[1] June 4.

Ambassador Munro inquired about the intention regarding the publication of any agreement reached. The Secretary said he felt publication might be salutory as a deterrent but that this could be decided in the light of circumstances when agreement was reached. The Secretary said it was not always necessary to publish things as he had the feeling that Communist intelligence was so good that they were able to judge when there was firmness and agreement on a matter and when contrary-wise there was weakness and disagreement. He referred in this matter to their sensing our underlying firmness with respect to Korea as contributing to the achievement of the Korean armistice and concluded that some times, therefore, it is not necessary to publish something to the world in order to obtain a desired deterrent effect.

Ambassador Spender inquired about the reference to France in paragraph 2 of the "Talking Paper" and what the grounds were for French concern. The Secretary replied that intelligence sources have indicated that the Chinese are reconstructing old Japanese airfields around Hainan and on the Luchow Peninsula in a way so that they could be used for jet planes. He added that intelligence did not, however, reflect any special accumulation of planes or an abnormal accumulation of forces near the border on the Chinese side. He also said that we believed overt aggression was unlikely to occur as the military situation and also the political situation was running so strongly in favor of the Communists that it would appear to be folly for them to engage in open aggression thus solidifying opposition to them and also adversely affecting Asian opinion. We did not, therefore, think this development probable unless their recent successes "go to their heads". Ambassador Spender then inquired about the relation of using collective armed force and the immediate appeal to the United Nations (see paragraph 3 of the "Talking Paper") and said the same point occurred in the suggested minute. The Secretary replied that in his view these actions would be concurrent but that the use of collective armed force should not be conditioned by the appeal to the United Nations.

Ambassador Munro then raised the question as to whether we felt the French would ask for intervention in the case of overt Chinese aggression. The Secretary replied that he did not regard this as a matter for bargaining with the French. He referred to the greater sanctions statement on Korea, [2] to the President's address of April [3] and his own of September, 1953 [4] and said that these statements and also this suggested action were not being made in the interest of helping the French but of helping the United States. He said should there be overt Chinese aggression the United States, Australia, New Zealand and the Philippines would be the targets thereof. This policy was, therefore, designed to serve the interests of The United States in seeing that the Pacific does not become an unfriendly body of water. He referred to the chain beginning with the Aleutians, going through Japan, Okinawa, Formosa, the Philippines and down to Australia and New Zealand and said that if this chain were broken the defense of the Pacific would fall back to its eastern shore with a possibility of holding the Hawaiian Islands. Therefore, this is a policy, as we see it, in the interest of the United States and also our ANZUS allies. The reference to the French was only because the French feel there is a somewhat greater risk now than formerly of overt Chinese aggression. It was really only a statement of intelligence. The Secretary said the French views on this matter should not be in any sense determinative and, as a matter of fact, we have not discussed the matter with the French.

Ambassador Spender said that it was his assumption that under this plan military action might not be confined to Indochina. The Secretary said this was correct as there might well be other ways of meeting aggression more effectively.

Ambassador Munro asked if short of this proposal but on the matter of meeting the present situation in Indochina it was correct that we did not anticipate U.S.-French action but still wanted to see action on a broader basis. The Secretary indicated that this view was also correct.

Ambassador Munro then inquired as to the French position relating to the several conditions which we had put to the French several weeks ago on the question of possible intervention. The Secretary replied that the points relating to the independence of the Associated States were coming along well in that the declarations, etc., which the French have indicated they would be prepared to make, looked good to us. Furthermore, the French have indicated that they would not seize upon collective intervention as an excuse to pull their own troops out; in other words they would regard international intervention as supplemental and not substitutive to their present effort. Mr. Merchant added that the French had also gone along, as Ambassador Munro knew, with the current Thai appeal to the United Nations. The Secretary indicated that otherwise there had been little progress in the talks with the French. He added that on the Thai-United Nations action the United Kingdom and France had both been reluctant fearing the effect of the action on the Geneva Conference. We, however, have been hesitant to discourage the Thais in taking this action and we held the view if the matter were handled discretely [*discreetly*?] it should not injure the position at Geneva.

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[2] Text of the Declaration signed on July 27, 1953 by the 16 nations participating in the UN Command is incorporated in the foreword to the Special Report transmitted by the Command to the Secretary-General of the United Nations on Aug. 7, 1953. For text, see Department of State *Bulletin*, Aug. 24, 1953, p. 247.

[3] "The Chance for Peace," delivered Apr. 16, is printed *ibid.*, Apr. 27, 1953, p. 599.

[4] "Korean Problems", delivered Sept. 2, is printed *ibid.*, Sept. 14, 1953, p. 339.

Ambassador Spender observed that he gathered, therefore, that it was correct to say that the Thais had taken the matter up in the United Nations on their own volition and not under pressure of the United States. The Secretary said that this was not only true but as a matter of fact we had some difficulty in restraining them from taking it up for almost a year.

Ambassador Munro then asked what our views were with respect to the timing of the next meeting of the Security Council saying that he understood the British and French didn't want it held until after Geneva. The Secretary said that it would no doubt take several days to work out a resolution and he thought it was probably alright for the matter to be held in abeyance until the latter part of next week. He added we would not want to press the matter if it would have a bad effect at Geneva. Ambassador Munro injected the observation that this point is a factor in the thinking of the New Zealand Government also. The Secretary said we had some Congressional criticism because of the lack of United Nations' action which had come up in consideration of our aid bill and our attempt to broaden the Indochinese part thereof so that the money could be used in other Southeast Asian countries. This was an additional reason for our not wanting to block the Thai action. The Secretary summarized our position by saying that while we do not desire to rush matters too much, that on the other hand we didn't want to have the matter drag to the extent that it would indicate that this was not a serious matter.

Ambassador Spender inquired if this Thai-United Nations action satisfied the conditions we had raised with the French about United Nations action. The Secretary replied that it did not fully satisfy it as we would hope for action of a broader nature. For instance, adding the Associated States to it. There was some question raised by Ambassador Munro as to whether present action could be broadened or whether it would be necessary to start afresh. The Secretary said while he had not studied the technicalities of this matter he would expect a Soviet veto in the Security Council and perhaps if technicalities did not make it difficult that when the matter were taken into the Assembly it could be started in that body on a broader basis.

[Attachment 1]

TALKING PAPER

1. You will recall that the President in his speech of April 16, 1953, and the Secretary of State on September 2, 1953, have warned Communist China that any overt aggression by its armed forces would have grave consequences which might not be limited to the area of the aggression.

2. The Government of the United States believes that the Chinese Communist regime is not likely to undertake overt unprovoked military aggression in the Western Pacific or South East Asia area at this time. At the same time it should be noted that the French have expressed to us concern lest the Chinese Communists use their air forces or allow the use of their territory for air strikes in support of the Vietminh assault against the Tonkin Delta. The possibility of such Chinese intervention cannot, of course, be ruled out.

3. It continues to be the conviction of the Government of the United States that if the Chinese Communist regime should commit overt unprovoked military aggression, in this or in any other form, it should be met by collective armed force and that there should be an immediate appeal to the U.N. to call on member states to support the nation or nations attacked or threatened.

4. It is the judgment of the Government of the United States that if there exists a strong and united will to defeat any such aggression should it occur, its occurrence would be hardly likely. On the other hand, the lack of such a will would increase the likelihood of such aggression occurring.

5. It is the present intention of the President of the United States, if such overt aggression is committed by the Chinese Communist regime, at once to request approval by the Congress for the

use of the armed forces of the United States against Communist China to defeat the aggression.

6. In view, however, of the fact that the United States is allied with Australia and New Zealand by the Security Treaty of September 1, 1951, it seems appropriate first to consult about the action to be taken in such a contingency and to seek to agree to a joint course of action. The U.S. intends to pursue the same course with respect to the Philippines with which it also has a similar treaty. We expect also to inform the United Kingdom and invite its parallel action, even though the United States has no treaty alliance with the United Kingdom in relation to this area.

7. This proposed action is clearly related to the collective defense of Southeast Asia, but is not in substitution for the efforts now being made to carry out the U.S. proposal of March 29, 1954, for such collective defense is relevant to present circumstances, even though there be no overt Chinese aggression.

8. In order to facilitate an agreement on a joint course of action to counter any overt Chinese Communist aggression, the United States proposes that an agreed minute be adopted by the members of the ANZUS Pact. (Table minute.) The United States would hope that the Governments of Australia and New Zealand would find it possible to concur in this course of action in order that we would be prepared to act promptly should the need arise.

[Attachment 2]

Proposed Agreed Minute

If Communist China should commit overt, unprovoked military aggression in the Western Pacific or Southeast Asia, the government of each member state would at once:

a. request approval from its Congress or Parliament for the use of its armed forces against Communist China to defeat the aggression;

b. support an appeal to the United Nations by the parties attacked for assistance against the aggression; and,

c. seek to persuade other free nations to join in the action with such help as each can give.

790.5/6–454

Memorandum of Conversation, by the Asssistant Secretary of State for European Affairs (Merchant) [1]

TOP SECRET WASHINGTON, June 4, 1954.

Subject: ANZUS Meeting

Participants: The Secretary
Sir Roger Makins, British Ambassador
Mr. Merchant—EUR

The British Ambassador called on the Secretary late in the afternoon at the Secretary's request.

The Secretary opened the conversation by saying that he desired to inform the British Ambassador of the meeting he had had earlier in the afternoon with the Ambassadors from Australia and New Zealand. After briefly summarizing the talking paper [2] which he had used for the ANZUS meeting, the Secretary handed the British Ambassador a copy which he said the Ambassador could keep.

Sir Roger Makins read the paper twice, slowly and carefully. He then asked if he understood correctly that it was our opinion that overt aggression by the Chinese Communists (which the Secretary had emphasized he regarded as highly unlikely) would bring the ANZUS Treaty into play. The Secretary replied that reaction by the United States against overt Chinese Communist aggression as intimated in the President's declaration might be expected to bring the Treaty into play. The British Ambassador asked if such reaction contemplated the possible use of the forces on Formosa, to which the Secretary replied affirmatively. The British Ambassador then asked if the use of Chinese air power in Indochina or the employment of bases in Communist China by aircraft which entered the fight in Indochina would be construed as overt aggression. The Secretary replied in the affirmative though he stated that use of air bases in Communist China by aircraft which might be marked as Vietminh and manned by Vietminh pilots would be an instance where the facts of the aggression might be a little difficult to establish. The Secretary went on to say that in establishing our intentions under the hypothetical situation, the United States would be acting in direct defense of what it regarded as its own national security interests. Its motivation would not be helping the French and its reaction would not necessarily be in the immediate area of the aggression. In consequence the Secretary said that this position of the United States was neither at the request of the French nor in the form of contemplated commitment to the French nor a source of bargaining with the French. We would be acting directly in defense of the United States' own interests.

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[1] A handwritten notation on this document reads: "Sec approved R[oderic] O'C[onnor]".

[2] Attachment 1 to the memorandum of conversation, *supra*.

The British Ambassador inquired if we contemplated making public any joint declaration along these lines. The Secretary replied not necessarily but this was a matter which could be decided later. He went on to say that he had a feeling the Communists' intelligence in the free world was sufficiently good to make it reasonably certain that they would sense or detect an agreement of this sort and the firmness of purpose underlying it.

The Secretary then noted that he was going to talk to the Philippines along similar lines. In reply to the Ambassador's question the Secretary confirmed that there was no present intention to tell the French at this moment of these actions.

The British Ambassador thanked the Secretary for the information which he said would be helpful to the British Cabinet at its meeting the next morning. From his manner and his questions it was clear that he considered the entire matter one of very real seriousness.

790.5/6-454: Telegram

The Secretary of State to the Embassy in the United Kingdom [1]

TOP SECRET WASHINGTON, June 4, 1954—8:04 p. m.
NIACT

6575. The holding of the 5-power military talks here without the participation of the Philippine and Thai representatives has provoked serious repercussions at Bangkok and Manila. Filipinos especially insist on participation and failure to invite them has given rise to difficulties for Magsaysay.[2] We are being accused in Manila of "drawing the color line"[3] and snubbing our close allies.

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[1] Repeated for information to Geneva as telegram Tosec 351, marked "for Under Secretary".

One of the principal reasons for this difficulty is the leak in London of the report regarding the holding of this meeting, coupled with the British insistence that it be on the Chief of Staff level. We believe that the only way out of this dilemma and to avoid damaging our position in the Philippines and in Thailand is to invite their representatives to attend at least one session of the 5-power talks as a face-saving device. Radford has put this question to Harding, who replied that this evoked political considerations about which he would have to consult London. You are instructed therefore to urge HMG to direct Harding to agree to an invitation to the Thais and Filipinos to attend at least one session of the current talks.

DULLES

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[2] In telegram 2721 from Manila, June 1, Chargé Lacy had informed the Department of State of this request of the Philippine Government and stated that although he had not informed Philippine officials of this opinion, the Embassy believed that "exclusion Philippines or any other friendly SEA power from these conversations inevitably productive of effective criticism on part [Senator Claro] Recto as well as Asian neutralist leaders to effect that conversations now in progress Washington further evidence US preference for white Westerners and exclusion colored and Asian powers even when security SEA subject discussion. . . .Philippine security exceedingly poor and contribution Philippine military to discussions something less than important. . . . Would it not be possible for five powers to invite participation Philippines at some stage of discussions at which security considerations negligible?" (790.5/6-154)

[3] The phrase "drawing a color line" appears in an *aide-mémoire*, not printed, handed Murphy by Ambassador Romulo on June 3. (Attachment to memorandum of a conversation held June 3 between Romulo and Murphy, not printed; 790.5/6-354)

790.5/6-554: Telegram

The Secretary of State to the Embassy in the Philippines[1]

TOP SECRET WASHINGTON, June 5, 1954—4:20 p.m.

3168. Secretary called in Romulo and Gamboa this morning. Following is uncleared summary of discussion. Secretary said he consulting pursuant Article 3 Mutual Defense Treaty. He said collective defense negotiations SEA unresolved although French have made considerable progress in agreeing move forward toward completion independence treaty with Viet Nam, agreement not to withdraw French forces from Indochina so long as needed there, and willingness have UN study SEA situation. UK position still undecided. Secretary said five-power military talks of which Philippines will be kept fully informed will reach no decisions. Secretary then said there one aspect situation which should be distinguished from projected collective defense in SEA: namely possibility Communist China might resort open unprovoked aggression by sending its army or air force outside mainland China. President and Secretary had declared publicly overt Chinese Communist aggression would have grave consequences which might not be confined to particular area of aggression. These declarations made in belief transition from indirect to direct aggression would carry such grave implications to Western Pacific position of US and its treaty allies that there would have to be immediate reaction. Secretary said this is a policy which stands independently of SEA coalition and US hopes if it necessary for it to take action indicated US would have support and cooperation of Philippines pursuant Mutual Defense Treaty. Secretary then said US would welcome Philippine assurances in this respect, adding US seeking similar assurances from Australia and New Zealand. Secretary stressed his statement precautionary only, asserting current evidence slight Chinese Communists contemplating direct aggression.

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[1] Repeated to Geneva as telegram Tedul 165.

Following Secretary's statement Romulo asked whether US determined defend Philippines, Formosa, Japan and other off-shore areas in Western Pacific to which Secretary replied affirmatively. Romulo then referred to joint Magsaysay-Wilson release [2] and urged that council referred to be established promptly. Secretary replied he would discuss with Defense and push ahead with it.

DULLES

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[2] Information on Secretary Wilson's meeting with President Magsaysay was transmitted in telegram 2665 from Manila, May 25. (796.5 MSP/5-2554)

790.5/6-654: Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State [1]

TOP SECRET
NIACT

LONDON, June 6, 1954—4 p.m.

5558. Geneva for Under Secretary. Re Embtel 5555, [2] repeated US Del Geneva 125; Deptel 6593, [3] repeated Paris 4430, Canberra 236, Wellington 188, Geneva Tosec 356.

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[1] Repeated for information to Canberra, Wellington, Geneva, and Paris.

[2] Dated June 5, not printed. (790.5/6-554)

[3] Date illegible, probably June 5. (790.5/6-554) In this telegram the Department of State had informed other concerned posts of the request made in telegram 6575 to London, June 4, p. 547.

Foreign Office has just told us UK unable agree to request reference telegram as feels proposal reopens question of participation in any eventual Southeast Asia defense organization [4] and places in dire jeopardy prospect of eventual cooperation in any form of other Asian States such as India and Burma. UK would not object to US keeping Philippine and Thai military representatives informed of progress of talks and consulting them outside conference. UK equally proposes keep other Commonwealth members generally informed.

Although doubtful matter considered by formal Cabinet meeting yesterday above represents considered ministerial level decision.

Understand Foreign Office advising British Embassy Washington in similar sense.

ALDRICH

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[4] In telegram 5573 from London, June 8, the Embassy amplified this wording as follows: "Foreign Office states word 'reopens,' which used in oral UK answer to US request, intended convey UK continued belief that time not now propitious for discussion question of membership in a SEA defense organization. As UK does not feel able discuss membership at this time, it does not wish to be faced with a situation (Thailand and Philippine participation in five-power talks) which might prejudice in advance question of participation in any eventual SEA organization.

"As remainder of Embtel 5558 indicates, UK does not consider general question of SEA defense organization closed." (790.5/6-854)

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 201st Meeting of the National Security Council Held on Wednesday, June 9, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

There were present at the 201st Meeting of the Council the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were Mr. Tuttle for the Secretary of the Treasury; the Attorney General (for Items 1 and 2); the Secretary of the Interior and the Secretary of Commerce (for Item 1); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Items 2,3,6 and 7); the Acting Federal Civil Defense Administrator (for Items 2 and 3); Assistant Attorney General Barnes (for Item 1); the Secretary of the Army; Under Secretary of Commerce Murray (for Item 1); Assistant Secretary of the Interior Wormser (for Item 1); the Under Secretary of the Navy; Robert Amory, Jr., Central Intelligence Agency; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; the Deputy Assistant to the President; the White House Staff Secretary; the NSC Representative on Internal Security; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Drafted by Gleason on June 10.

Following is a summary of the discussion at the meeting and the main points taken.

. . . .

7. *Southeast Asia* (NSC 5405; NSC Actions Nos. 1086-b and -c, 1104-b, 1110,[2] 1112, 1147-b,[3] and 1148-b [4])

Secretary Wilson indicated the various countries which he had visited in the course of his journey to the Far East. In Japan, he said, Ambassador Allison had arranged for Secretary Wilson to have an interview with the Emperor. Secretary Wilson then read from a memorandum of conversation which Ambassador Allison had prepared after the interview. [5]

Secretary Wilson said that he had had "quite a visit" with Prime Minister Yoshida, who had tried to interest him in a great road-building scheme in Japan. While Yoshida seemed very anxious to proceed with the Japanese rearmament program, Secretary Wilson said he expected a lot of economic assistance from the United States in this process.

Secretary Wilson said that when he reached Korea he found President Rhee both courteous and friendly, but there had been no "business" talked between them. Subsequently, however, at a review of South Korean troops, President Rhee had made a speech which dealt with various policy matters. Secretary Wilson read to the Council excerpts from Rhee's speech, which heaped praise on General Van Fleet for his part in building up the ROK Army. The speech also contained a plea for continued U.S. build-up of South Korean armed forces.

In Formosa, said Secretary Wilson, the Generalissimo had tried to sell him a number of things in the course of three interviews. Secretary Wilson had taken the position that he was merely an observer. Chiang had taken the position that the United States was wasting its time and money in Indochina. American aid had better be channelled elsewhere, since the great issues in Asia would not be settled in Indochina. Chiang had also pointed out that while the United States has treaty arrangements with the Philippines, the ROK, and Japan, there was no formal agreement between the United States and Nationalist China. Secretary Wilson had replied by pointing out the difficulties of working out an agreement with Chiang Kai-shek unless such an agreement were restricted to areas which the Generalissimo actually controlled. Secretary Wilson expressed the opinion that Chiang was very over-optimistic on what he thought he could accomplish in an invasion of the mainland, which the Generalissimo said could be successfully carried out without the need for any American ground forces.

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[2] Dated May 8, 1954, and printed with an extract from the memorandum of the 196th NSC meeting held the same day, in vol. XIII, Part 2, p. 1505.

[3] Dated June 3, 1954, and printed with an extract from the memorandum of the 200th NSC meeting held that same day, *ibid.*, p. 1660.

[4] See footnote 6, p. 537.

[5] Not printed.

With regard to the Philippines, Secretary Wilson said he had had "quite a talk with the folks down there". He had been advised in advance not to discuss with Magsaysay our base agreements.[6] He had, however, been told to indicate to Magsaysay the view of the United States that the time had come to implement the treaty with the Philippines.[7] Secretary Wilson also discussed with Magsaysay the economic situation and the need for educational development in the Philippines.

As a general result of visiting around in the various Far Eastern countries, Secretary Wilson said he clearly sensed the necessity of getting some kind of real internal stability in these countries. He wondered, however, if the United States was not trying to achieve economic improvement in many of these countries at too rapid a pace. Secretary Wilson therefore suggested that now was the time to take a "real new look" as to how best to accomplish our objectives in the Far East with far fewer U.S. personnel.

At the conclusion of Secretary Wilson's report, Mr. Cutler asked Secretary Dulles if he had any comments to make on developments in Southeast Asia since his last report to the Council.

Secretary Dulles replied that there were very few changes to report. As we had anticipated, the pre-conditions we had set for armed intervention in Southeast Asia had been "toyed with" by the French, but that the French had reached no firm conclusion with respect to internationalizing the Indochina conflict. In effect, they are using these pre-conditions and the prospect of our intervention at Geneva, but they seem to have no intention of actually taking up the option. Beyond this, an acceptable formula had been found for the independence of the Associated States if the time ever comes to invoke the formula.

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[6] The original military base agreement between the United States and the Philippines (already much amended by 1954), had been signed at Manila on Mar. 14, 1947. For text, see TIAS 1775.

[7] Reference is to the Mutual Defense Treaty.

The Thai appeal for UN observers, said Secretary Dulles, had made some progress, despite the obstacles placed in its way by the British and French, to whom it had been necessary to present a virtual ultimatum. At least a beginning had been made of getting the UN involved in Southeast Asia.

If a breakdown occurred at Geneva, Secretary Dulles predicted that the British would move for some kind of regional organization to protect what was left of Indochina and the rest of Southeast Asia. Secretary Dulles expressed himself as still opposed to United States intervention with armed force in Indochina unless our preconditions for such intervention had been met and unless we have other nations as associates in the enterprise.

Secretary Dulles then commented briefly on the U.S. course of action in the event of overt unprovoked Chinese Communist aggression, which the Council had discussed at its previous meeting. He said that he had had a number of talks with the representatives of the nations concerned, but no definite reactions had yet occurred. The Australians, he said, were obviously concerting their response with the British. However, Secretary Dulles had himself informed the British of the proposals he would discuss with the Pacific Dominions. The British remained heavily influenced by the point of view of India and by their fear of a desire on the part of the United States to provoke general war with Communist China.

Secretary Dulles concluded by offering the guess that Australia and New Zealand would ultimately agree to stand beside us in the face of overt Chinese Communist aggression. However, what their precise posture would be, Secretary Dulles said he could not predict.

The President said that he had one bit of information to add to the discussion. Pleven had called in General Gruenther[8] and pointed out what terrific repercussions would arise in France if the Tonkin Delta were lost. There would be harsh feelings against all of France's allies, and especially against Great Britain. The United States, however, would not avoid criticism. The President said that he had written back to General Gruenther[9] suggesting that he tell Pleven that if the Tonkin Delta fell, there would be very strong anti-French reactions in the United States in view of all that we had done to provide against its loss.

Secretary Dulles commented that if Indochina were lost, everyone would be on the lookout for a scapegoat.

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[8] Gen. Alfred M. Gruenther, Supreme Allied Commander in Europe.

[9] Letter not found in Department of State files.

The National Security Council: [10]

Noted oral reports by the Secretary of Defense on his recent Asian trip and by the Secretary of State on developments in the current negotiations with respect to Southeast Asia.

. . . .

S. EVERETT GLEASON

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[10] The paragraph that follows constitutes NSC Action No. 1155. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

790.5/6–1454 (Bulky)

Report of the Five-Power Military Conference of June 3–11, 1954 [1]

[Extracts]

TOP SECRET WASHINGTON, June 11, 1954.

FIVE POWER MILITARY CONFERENCE OF JUNE 1954

In accordance with instructions, the Military Representatives of Australia, France, New Zealand, the United Kingdom and the United States met in Washington from 3rd to 11th of June, 1954, to consider the military situation in South East Asia.

The Report of this Five Power Military Conference is attached.

S[YDNEY] F. ROWELL
Lt. General
Australia

J.E. VALLUY
Général de Corps d'Armée
France

W.G. GENTRY
Major General
New Zealand

JOHN HARDING
Field Marshal
United Kingdom

R.B. CARNEY
Admiral
United States

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[1] This report is attached to a covering note of June 14 from MacArthur to the Secretary. In that note the Counselor recommended that Dulles read several sections "to get the main substance of the report". (790.5/6–1454) All sections recommended by MacArthur are included in the extracts printed here.

[Attachment]

REPORT OF CONFERENCE

1. The Military Representatives of Australia, France, New Zealand, the United Kingdom and the United States met in the Pentagon, Washington, D.C. from 3rd to 11th June 1954 to discuss the situation in South East Asia.

2. It was understood that the conclusions of the Conference did not in any way imply a commitment of the Governments of the respective delegations.

TERMS OF REFERENCE

3. They were instructed in their terms of reference to undertake planning studies in order to recommend possible courses of action to enable an effective line of resistance to further Communist aggression or infiltration in South East Asia to be established. They would examine all possible courses of action in the light of the current situation and of the known capabilities of the anti-Communist countries concerned in South East Asia and the Western Pacific.

4. It was understood that the phrase above dealing with examination of "all possible courses of action in light of the current situation" was without limitation, and in particular was not restricted by the prior sentence dealing with "an effective line of resistance".

BACKGROUND

5. The discussions were conducted against the background of an Intelligence survey of the military situation in the South East Asia area and a French exposition of the current position in Indo-China. The Intelligence survey, prepared by delegates to the Conference, covered the present situation in Indo-China, the internal security problems of Thailand, Burma, Malaya, Indonesia, Philippines and Nationalist China and the effect on them of a major Communist success in Indo-China. It also covered the possible Communist reaction to overt military intervention by the West in the Indo-China war and the Chinese military capabilities in South East Asia (Enclosure B).[2]

6. The French exposition reviewed the situation that had faced France in the conduct of the war in Indo-China in recent years, particularly the problem of controlling the Delta with its population of five million while at the same time seeking out and destroying an enemy who were increasingly well armed and supported. The attention of the Conference was focussed on the urgency of the

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[2] Only an extract, Part II, of Enclosure B is printed, p. 562.

existing situation, the paucity of French Vietnamese resources, the deteriorating morale as a result of the fall of Dien Bien Phu and consequent exaltation of the Viet Minh and finally the great importance of Tonkin to the front line of the defense of the free world against Communism (Enclosure C).[3]

7. The Principal Military Representatives of this Conference took cognizance of the excellent accomplishments of the Five Power Military Planners whose studies and conclusions were of great value to this Conference. It was agreed that further useful work could be accomplished by this group.

ORGANIZATION OF DISCUSSION

8. The organization of the Conference provided for studies to be prepared under four major headings, with the stipulation in each case that the examination would be made in the light of world wide implications and the current situation in the area, and on the assumption that necessary political arrangements had been made.

a. The defense of Indochina against the Viet Minh in the various situations which might arise;
b. Measures to provide internal security in selected areas of Southeast Asia;
c. The defense of Southeast Asia (including Indochina) in the event of overt Chinese Communist aggression, including consideration of the use of nuclear weapons;
d. The military problems in Southeast Asia in the event of a ceasefire in Indochina being agreed.

9. The studies themselves were prepared as a basis for discussion only. They were not textually agreed throughout and are attached at Enclosure D, E, F and G[4] only for information. The agreed conclusions arising out of the discussions have been listed under each heading at Enclosure A, Annex 1, 2, 3 and 4[5] and summarised below.

SUMMARY OF CONCLUSIONS

The Present Situation:

10. The retention of the Tonkin Delta is of the greatest importance to the defense of Southeast Asia as a whole. At the present time, the military situation in the Delta is critical. The Viet Minh are in a position to launch a strong offensive at any time from mid-

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[3] Enclosure C, "Exposition by the French Delegation", is not printed here.

[4] None printed. Their respective titles are: "Military Courses of Action in Indochina", "Measures To Provide Internal Security in Southeast Asia", "Defense of Southeast Asia in the Event of Overt Chinese Communist Aggression", and "Military Problems That Would Arise in Southeast Asia in Event of Cease-Fire in Indochina Being Agreed".

[5] Annexes 1 and 4 of Enclosure A are not printed.

June and by September will be able to undertake a fully coordinated offensive. Between now and September they will undoubtedly exert heavy pressure and, if by then, no reinforcements have been received a severe Franco-Vietnamese reverse is probable. This may well lead to a serious defection of Vietnamese troops.

Forces Required to Stabilize the Situation in the Delta:

11. The stabilization of the situation and establishment of a secure base in the Delta would require outside assistance of the order of three well trained and equipped divisions and about three hundred aircraft. Owing to the limited capacity of the airfields in Indochina these aircraft would have to be provided initially by a carrier task force supported by appropriate naval units and from air forces based outside Indochina. Minesweepers may also be required.

12. The movement and concentration of these forces will take time and a decision to reinforce the Delta must be made immediately if adequate forces are to be ready to meet the large scale Viet Minh offensive expected in September 1954.

13. The Delta will remain vulnerable until the whole of Tonkin has been secured and the Viet Minh Regular Army in Indochina has been destroyed. There can be, therefore, no guarantee that further reinforcements will not be required later. The size will depend on a number of factors including the extent of the recovery of morale throughout Indochina, the growth in size and effectiveness of the Vietnamese forces; the extent to which French Union Forces, now necessarily dispersed on police duties throughout the country, can be concentrated; and the reaction of Communist China.

14. The arrival of reinforcements from the Free Nations, other than France, would be an important factor in the restoration of Vietnamese confidence. In the opinion of the French General Staff the psychological impact of those reinforcements would be enhanced if they were drawn from the Western Powers.

Situation Should the Delta be Lost:

15. Should the Delta fall to the Viet Minh, consideration must be given to the holding of a line of recovery further south. Due to the nature of the terrain and the forces which might be available to hold it such a position is not readily to be found. The line Thakhek-Dong Hoi offers the best possibilities although it is subject to a number of limitations. It would require a force of the order of four divisions with supporting air forces to hold it, together with the forces necessary to secure complete control of southern Indochina. Provision too, would have to be made for ensuring the security of

the flank resting on the Thai border. The maintenance of this force would require development of the existing logistic facilities.

16. Under present conditions the French Union Forces in Southern Indochina are fully occupied with internal security duties and could make no contribution to the holding of this position. Therefore, unless adequate forces were extricated from the Delta, the success of this operation would depend on the timely arrival of the necessary reinforcements from outside Indochina.

War With China:

17. The danger of Chinese Communist intervention will increase with the approach of Allied forces, other than Vietnamese forces, to the Chinese border. From the start provision must be made to meet such intervention.

18. Should war with China be precipitated by Chinese Communist aggression in Southeast Asia, air attack should be launched immediately aimed at military targets. In the selection of these targets political considerations cannot be ignored. To achieve a maximum and lasting effect nuclear as well as conventional weapons should be used from the outset. A blockade against China should also be established.

19. It is unlikely that the land forces immediately available would be sufficient to hold the Chinese advance but a recovery line in Indochina and defensive positions in Thailand and in Burma should be considered as a means of inflicting the maximum delay on the enemy and winning the support of those peoples. The lack of natural defensive positions and the inadequacy of forces likely to be available would limit what could be achieved.

20. The final stop-line should be a defensive position on the Kra Isthmus, the essential communications being controlled by air and naval forces based on the Philippines, Malaya and Ceylon. Intermediate operations should not be allowed to prejudice the ability to hold this final position.

Global War:

21. Any war with China involves some risk of war with Russia although no agreement was reached at this Conference as to whether the risk was probable or merely problematical. This is an important factor to be considered when deciding to commit forces to a war with China since such a committal must not be allowed to destroy the balance necessary for the implementation of allied global strategy.

22. In the event of Global War, the overall strategy of the Allies should be generally defensive in Southeast Asia utilizing the offensive capabilities of naval and air forces as practicable. Elsewhere in

the Far East the possibilities for offensive action should be exploited.

Measures to Improve Internal Security in Southeast Asia:

23. The maintenance of internal security in Southeast Asia depends largely on our ability to enlist the determined support of the leaders and people of the free Southeast Asian countries in the fight against Communism. This is a political problem but if it can be solved there are certain military measures which can be taken to increase their stability and develop their strength.

24. From the military viewpoint, a vital factor in the maintenance of internal security is the existence of strong, reliable, well trained and well equipped forces including police. Therefore, the Allies should be prepared to aid in developing these forces and their ability to operate. Such action would contribute not only to internal security but also to the general defense of Southeast Asia. These measures should not be considered in isolation, but with political and economic factors, which, applied together, will contribute greatly to welfare and stability.

Military Problems of a Cease Fire in Indochina:

25. Both the local situation in Indochina and previous experience of truce or armistice between free and communist nations was taken into account. The conditions which would be the soundest and which would prevent a cease fire in Indochina developing quickly into a more serious situation were set down only from the military point of view.

26. Any cease fire agreement should provide for the retention by the French Union Forces of the Hanoi–Haiphong area, the communications between those two places and at least the area south of the line Thakhek–Dong Hoi.

27. There must be a guarantee by nations other than those directly involved that they will intervene if the agreement is broken and neutral observers with freedom of movement must be provided to detect and establish violations where they occur.

GENERAL CONCLUSION

28. Throughout the studies the Principal Military Representatives have been much impressed by the fact that the military measures required to enable resistance to further Communist aggression or infiltration in Southeast Asia to be effective call for firm solidarity between the Five Powers represented at this Conference. The Principal Military Representatives would also call special attention to the critical nature of the present situation in Tonkin and the urgency of decisions on the immediate problems that it presents.

. . . .

Enclosure A, Annex 2

Measures to Provide Internal Security in Southeast Asia

An examination was made of the military measures that could be taken to provide for internal security in areas of Southeast Asia other than Indochina, on the assumption that no overt aggression by Chinese Communist forces had taken place.

It was agreed that an essential requirement was to instil into the countries of Southeast Asia a natural determination to resist Communism. They must be convinced of the effectiveness of Western political, economic and military programs although the Asian suspicion of interference would have to be taken into account. Militarily a vital factor was the establishment of effective internal security forces.

It was concluded that the following measures could be taken:

General

1. The Allies should be prepared to furnish economic and military aid whenever practicable.

2. Increased and improved facilities for overseas training and liaison visits of members of their armed services and security forces should be made available to all countries under consideration.

Thailand

3. The military measures that could be taken are as follows:

a. Undertake a program to develop sufficient trained military leaders and to establish suitable training facilities for the Thai Armed Forces.
b. Expand the Thai Army.
c. Develop improved communications particularly in the North.
d. Develop selected air bases for operation of modern military aircraft, including the stationing there in peace of Allied personnel required to make the bases operable.
e. Assist the development of the Thai Volunteer Defense Corps (Home Guard) recently established under the Ministry of Interior.
f. Assist in training police forces.

4. Consideration should be given to the following long-term measures which, although not strictly military in nature, might prove useful:

Exerting influence to secure the better control and, if possible, the repatriation of the Vietnamese minority and the integration of the Chinese minority in the national life.

Burma

5. The military measures that could be taken are as follows:

a. If requested by the Burmese Government, furnish military aid and provide assistance in training the Burmese Armed Forces.
b. Provide assistance to improve communications.

c. Develop closer liaison between Allied forces in the Far East and the Burmese Armed Forces.

d. Assist in training police forces.

Malaya

6. We appreciate that the Security Forces in Malaya are adequate to deal with the present Communist terrorist threat.

Indonesia

7. The military measures that could be taken are as follows: If requested by the Indonesian Government:

a. Establish a military mission to replace the Dutch.
b. Provide arms and equipment for the Indonesian Armed Forces.
c. Develop airfields for Allied use.
d. Assist in training police forces.

8. Consideration should be given to the following measures which, although not strictly military in nature, might prove useful:

a. Eradication of the Communist element in the educational system.

b. Support and encourage legal groups opposed to Communism.

Enclosure A, Annex 3

Defense of Southeast Asia in the Event of Overt Chinese Aggression

Military action was considered for the defense of Southeast Asia including the use of nuclear weapons, within a general strategic concept of overt aggression arising either from defeat of the Viet Minh in the field or deriving from some other sequence of events. The courses of action were not considered in isolation but within the general framework of commitments elsewhere in the world and in the light of the increased possibility of global war resulting from that aggression. The conclusions were as follows:

1. In the event of global war, the over-all strategy of the Allies should be generally defensive in Southeast Asia utilizing the offensive capabilities of naval and air forces as practicable. Elsewhere in the Far East the possibilities for offensive action should be exploited.

2. A study of the courses of action open to us in the event of Chinese Communist aggression in Southeast Asia led to the following conclusions:

a. The retention of the Tonkin Delta is vital to the defense of Southeast Asia as a whole.

b. Air attack against China offers a significant contribution to the defense of Southeast Asia and is common to all courses of action. A blockade of the China coast should also be established.

c. Air attack should be launched immediately and so conducted as to have the greatest effect on the enemy. In certain circumstances it may constitute our only means of major offensive action.

d. To implement Allied strategy air attack should be aimed at military targets, in the selection of which, however, political considerations cannot be ignored. To produce lasting and maximum effect such air attack should use nuclear as well as conventional weapons from the outset.

e. Any war with China involves some risk of war with Russia, although no agreement was reached as to whether such risk constituted a definite probability or whether its degree was merely problematical.

f. Should aggression not be halted in the Tonkin Delta area, fighting for a recovery line in Indochina or for any defensive position in Thailand or Burma should be undertaken as a measure for imposing the maximum delay on the enemy and for maintaining support of those people. However, the lack of natural defensible positions and inadequacy of the likely available forces would limit what could be done.

g. Any fighting for them should not be allowed to prejudice our prospects of holding our final stop line which will be in the Kra Isthmus.

h. In the event of the fall of Indochina, a defensive position could be maintained in the Kra Isthmus and the essential communications could be controlled by air and naval forces based on the Philippines, Malaya and Ceylon.

. . . .

Enclosure B

INTELLIGENCE SURVEY OF THE MILITARY SITUATION IN THE SOUTHEAST ASIA AREA

. . . .

PART II

Possible Communist Reactions to Overt Military Intervention by the West in the Indo-China War

The Chinese Communist regime has undertaken an ambitious program to create an industrialized and militarily powerful state. Their energies appear to be devoted to the consolidation and expansion of China's economic strength, modernization of military forces, and the transformation of China's political and social[?] [6]

The major weakness of the Chinese armed forces is their dependence upon the USSR for such items as tanks, aircraft, military transport, naval vessels, POL, electronic equipment and spare parts.

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[6] Apparent omission in source text.

This dependence will not be significantly lessened during the next few years. Despite this position of dependence, China's military establishment has given the Communists an overwhelming military advantage over the countries of non-Communist Asia and has profoundly affected the over-all balance of power in Asia.

Politically, the Chinese Communist regime has increased its administrative efficiency and has tightened its control over its people and resources, and has solved the problems of maintaining a dictatorship over 500,000,000 people. Yet, the regime has not been able to obtain more than passive acceptance from the bulk of the population.

The precise manner in which Soviet influence or control finds its way into Chinese policies is not known. The USSR apparently treats its Chinese ally with deference. We believe the USSR is able to exert influence over Chinese policies primarily by virtue of their common ideology and China's economic and military dependence on the USSR.

Future activities of the Chinese Communists are dangerously unpredictable, but, for the immediate future, China will probably be reluctant to undertake courses of action which it considers might involve substantial risks of unlimited war with a major power. However, China will probably counter with military force any action which it considers to be a military threat to its borders or to its vital interests, accepting the risks of war inherent in such action.

Specifically, we consider that:

a. If the Western Powers resort to *air action* alone, confined to Indo-China, the Chinese would make the most of the propaganda opportunity presented, would step up their aid to the Viet Minh, would make preparations for counter action, but would probably not embark on any operations, pending developments.

b. If the Western Powers deploy substantial ground forces into North Viet-Nam there is a likelihood that the Chinese will dispatch "volunteer" ground forces and probably provide "Viet Minh" or "volunteer" air forces operating initially from Chinese air bases. The Chinese decision to commit ground forces into Indo-China will depend upon their *assessment* of the degree of success likely to be attained by the Allied forces.

. . . .

790.5/6–1254: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

SECRET WASHINGTON, June 12, 1954—1 p. m.

Tosec 406. For Undersecretary from Secretary. It seems clear from Canberra's 290 repeated Tosec 371, [2] other messages from Peaslee [3] and talks here with Spender that Australians are convinced of the need for developing collective arrangements for Southeast Asia area. With recent development in Eden's position, [4] it should be easier for Australia and New Zealand to assist in carrying project forward and I am sure Casey's return to Geneva will give you opportunity to enlist his aid. I understand he plans return home via Washington and in your discretion tell him I am delighted he plans stop in Washington and will look forward to opportunity of good discussions with him. Suggest to him that he let me know his plans as soon as they are firm.

DULLES

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[1] Drafted by Raynor and Outerbridge Horsey, Officer in Charge of Commonwealth Affairs.

[2] Not printed.

[3] Amos Peaslee, Ambassador in Australia.

[4] A possible reference to the information received by Dulles in telegram Dulte 164 from Geneva, June 9, marked "Eyes only Secretary". In it the Under Secretary reported: "Clear that Eden now considers negotiations here have failed. Believe he is prepared to move ahead quickly in Southeast Asia coalition which would guarantee Cambodia and most of Laos under umbrella of some UN action with respect to those two countries. He expects active cooperation from Burma, and hopes for benevolent neutrality from India. He apparently does not feel much can be salvaged in Vietnam." (751G.00/6–954) Full text of this telegram is printed in vol. XVI, p. 1083.

Conference files, lot 60 D 627, CF 329

Memorandum by Morris Draper of the Policy Reports Staff to the Officer in Charge of Philippine Affairs (Bell)

SECRET [WASHINGTON,] June 14, 1954.

On Saturday, June 12, the Secretary stated his opposition to formation of a formal Defense Council between the United States and the Philippines along lines parallel to that formed under the ANZUS Treaty. After hearing Mr. Drumright's explanation that such a step is desirable to aid Magsaysay in his internal political relations and that the JCS supported the move in contrast to their attitude toward the ANZUS Council a few years ago, the Secretary agreed that an organization could be formed as long as its *ad hoc* aspects were emphasized. He particularly does not want a permanent organ meeting regularly in Washington.

The Secretary was not particularly happy at the way Secretary Wilson had set this up and added, at least by implication, that he would prefer to keep such a Council within the Defense Department operation.

Conference files, lot 60 D 627, CF 290

Memorandum by the Deputy Under Secretary of State (Murphy) to the Secretary of State [1]

CONFIDENTIAL [WASHINGTON,] June 14, 1954.

Saturday evening I dined with Roger Makins who brought up the subject of the Five Power Military Talks saying that he had just seen the account of the sessions and found that they were most valuable. He stated the opinion that these talks were urgently necessary to "bring down from the clouds" the suggestions which have been made regarding some form of united action in S. E. Asia because we now have some idea about what form or forms of action may be required. He said that "now that Geneva is played out" he is certain that London will be willing, even eager to proceed with the discussions about united action and that the Churchill-Eden visit will provide an excellent opportunity to make a start. He talked about the harm which the press and some commentators had done to U.S.-U.K. relations. He said that it had been absolutely essential for HMG to play the hand straight at Geneva and suggested that events had proved the wisdom of this course. Naturally that could not be explained to the press at the time. Now that we are coming to the end of Geneva we would find a great readiness on the part of his Government to participate in a program for S. E. Asia. He felt that even Nehru had learned something as a result of the events of the past weeks.

Incidentally he offered the information that his Government is providing him with a four-engine airplane on a regular standby basis for his travels in the U. S.

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[1] Drafted by Murphy. The source text bears the notation "Sec saw" in an unidentified handwriting.

751G.00/6-1554

Memorandum of Conversation, by the Officer in Charge of India, Ceylon, and Nepal Affairs (Williams)

CONFIDENTIAL [WASHINGTON,] June 15, 1954.

Subject: Indochina

Participants: The Secretary
Mr. G. L. Mehta, Ambassador of India
Mr. J. C. Kakar, First Secretary, Embassy of India
Mr. William L. S. Williams, SOA

Mr. Mehta said that he planned to go to India for four or five weeks' leave, and he had come to call on the Secretary on the possibility that he might not have another opportunity before he left on July 8. He said, however, that if the Secretary had any message which he wished the Ambassador to convey to the Government of India he would come to see the Secretary at a moment's notice.

The Secretary said there might well be an occasion for a further talk before the Ambassador departed. He said something might arise out of the talks in Washington with Mr. Churchill and Mr. Eden who expected to arrive on June 25; [1] the talks might lead to some further activity with regard to the Southeast Asia problem.

Mr. Mehta said that Geneva appeared to have bogged down. The Secretary said he understood that the Geneva Conference had pretty well come to an end. He thought the conference would probably be kept going on a nominal basis for revival if this should seem useful in the future. He had always believed there would be no satisfactory solution at Geneva unless there were some sort of talks going on at the same time regarding collective defense in Southeast Asia. This had been a matter of difference between the UK and US. He thought it possible that the United Kingdom's position had been reached perhaps as a result of consultations with the Ambassador's Government. The question of a Southeast Asia defense arrangement has been in suspense for two months, but it appeared that Mr. Eden was discouraged by the course of the Geneva discussions and, therefore, it was possible that activity in connection with a Southeast Asia defense arrangement might be revived. The Secretary then said that the US Government would be happy if India would take an active part. He said that Southeast Asia is, in a sense, India's part of the world. We have an historical interest in the western Pacific, but we feel it would be a splendid thing if the Indian Government would take an active role in South and Southeast Asia in view of the dangers there. Mr. Mehta said that while Mr. Menon at Geneva had no specific proposals but had gone merely to try to find out what was likely to happen, the Prime Minister did offer a six-point proposal for Indochina.[2] The Colombo Conference proposals also covered in general India's feeling as to the next step in Indochina.[3]

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[1] Regarding the talks held in Washington June 25-29 between the two Heads of Government, Dulles and Eden, and other officials of the United States and the United Kingdom, see volume VI.

The Secretary said he thought Menon did not always have a sound appreciation of possibilities and that he tends to over-estimate the possibility of getting results by negotiation and appeals to reason. He said we have only the greatest desire to see India's interest increased and to see that interest take some practical form to the extent consistent with India's own self-interest. He said that the direction in which the Communists will turn if they take over Indochina is a matter of concern. If they turn west to Thailand or Burma it would not be good for India. If they turn in the other direction it might not be of as intense concern to India but certainly would not be good for the United States. In either case it would be a matter of real concern to each of us, for, he supposed, India and the US have a concern for each other. Mr. Mehta said he understood that one of the problems was that the Communists had wanted political talks at the same time as military talks were going on. The Secretary said that in his opinion this was merely an excuse for postponing agreement on military matters until the Communists were in a position through additional military successes to exert maximum pressure on the political talks. He thought that actually there had been not even a beginning of an agreement on anything in Geneva. Mr. Mehta said that some effort to arrange a ceasefire before the Geneva Conference might have in the end proven wise.

Mr. Mehta inquired regarding the Chinese attitude at Geneva and asked if they were stubborn. The Secretary said they were and that they did not make a very good impression on most of the people there. They were fanatical and used intemperate language. The Secretary said that in general Molotov had expressed himself more temperately than the Chinese but there was no open difference between the Chinese and the Russians. The Secretary said that if the Communists act strongly and there is no strong reaction they then act even more strongly; the only thing that moderates the Communists is a strong position on the other side. He said he had sent a message to General Smith saying that "the Communists will stop where we stand". The proper procedure for the Southeast Asia problem was to have some alternative to Communist demands in the form of collective security or collective action. The fact that there was no proposal for united action had been one of the things which had led the Communists at Geneva to take positions to which we had no alternative and this was not a good position to be in.

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[2] Nehru had outlined a proposal for an Indochina settlement in an address before the lower house of the Indian legislature on Apr. 24.

[3] For text of the communique of the Colombo Conference, issued on May 2, see Royal Institute of International Affairs, *Documents on International Affairs: 1954* (London, Oxford University Press, 1957), p. 166.

Mr. Mehta said he would get in touch with the Secretary before he left for India. The Secretary agreed and asked Mr. Williams to remind him of Mr. Mehta's departure.

790.5/6–1854

Memorandum of Conversation, by the Counselor of the Department of State (MacArthur)

TOP SECRET [WASHINGTON,] June 18, 1954.

Subject: Possible Burmese Participation in Collective Defense for Southeast Asia.

Participants: Ambassador Heeney, Canada.
Mr. MacArthur, C.

Arnold Heeney, the Canadian Ambassador, dropped in to see me this afternoon. We had a very general talk about Geneva, during the course of which he said he wished to pass on some information regarding Burma. It was to the effect that the Burmese views regarding the problems of Southeast Asia have evolved enormously in the past several months. In strict confidence, he said he could tell me that Ambassador Barrington believes in the desirability of Burmese participation in collective defense in Southeast Asia. While Barrington has influence, the situation in Burma itself does not seem to have evolved to the point where the Burmese would be likely to participate at this juncture. However, if we exercise patience and restraint, and don't try to prod them or drive them into a collective defense arrangement, it is very possible that they will subsequently come along.

Heeney regards the Burmese attitude toward collective defense in Southeast Asia as being a key with respect to the Indian position—that is, while the Indians regard the Thais and Filipinos as American stooges, they look at the Burmese with whom they have had close relations for a long period, in quite a different light. If Burma is unwilling initially to join in collective defense of Southeast Asia, but expresses endorsement of such an organization, the Indians will be careful before taking a position which will put them headlong into contradiction with Burma. If Burma should join collective defense, the possibility of gaining India's tacit acceptance would be much greater.

I have written this brief memorandum because I think there is a great deal in what Heeney says. If we are successful in organizing a collective defense arrangement in Southeast Asia and Burma is unwilling to join initially, I think we should endeavor, by material assistance possibly, to aid the Burmese Government in strengthening its own internal security. If we gave such aid with no strings attached, and without fanfare or publicity, I think we might succeed in bringing Burma along much more rapidly than if, under the circumstances above, we gave aid with some kind of stipulation or lots of publicity.

Conference files, lot 60 D 627, CF 337

The Prime Minister of the United Kingdom (Churchill) to President Eisenhower [1]

[Extract] [2]

TOP SECRET [LONDON?,] June 21, 1954.

MY DEAR FRIEND: I have always thought that if the French meant to fight for their Empire in Indo-China instead of clearing out as we did of our far greater inheritance in India, they should at least have introduced two years' service which would have made it possible for them to use the military power of their nation. They did not do this but fought on for eight years with untrustworthy local troops, with French cadre elements important to the structure of their home army and with the Foreign Legion, a very large proportion of whom were Germans. The result has thus been inevitable and personally I think Mendes-France, [3] whom I do not know, has made up his mind to clear out on the best terms available. If that is so, I think he is right.

I have thought continually about what we ought to do in the circumstances. Here it is. There is all the more need to discuss ways and means of establishing a firm front against Communism in the Pacific sphere. We should certainly have a S.E.A.T.O. corresponding to N.A.T.O. in the Atlantic and European sphere. In this it is important to have the support of the Asian countries. This raises the question of timing in relation to Geneva.

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[1] Message apparently delivered by the British Embassy.

[2] Full text is printed in volume VI.

[3] Pierre Mendès-France had become Premier on June 18.

In no foreseeable circumstances, except possibly a local rescue, could British troops be used in Indo-China, and if we were asked our opinion we should advise against United States local intervention except for rescue.

The S.E.A.T.O. front should be considered as a whole, and also in relation to our world front against Communist aggression. As the sectors of the S.E.A.T.O. front are so widely divided and different in conditions, it is better, so far as possible, to operate nationally. We garrison Hong Kong and the British Commonwealth contributes a division to Korea. But our main sector must be Malaya. Here we have twenty-three battalions formed into five brigades. You are no doubt aware of the operation contemplated in the event of a Communist invasion from Siam. I will bring detailed plan with me. Alex, [4] who I understand is coming over in July, will discuss it with your Generals. The question is whence are we to draw reinforcements. There are none at home; our last regular reserves are deployed. It would be a pity to take troops from Germany. On the other hand we have what are called 80,000 men in the Egyptian Canal zone, which mean 40,000 well-mounted fighting troops. Here is the obvious reserve.

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[4] Viscount Alexander of Tunis had been Minister of Defence since 1952.

Editorial Note

On June 23 Eden made a statement on the Geneva Conference and the situation in Southeast Asia before the British House of Commons. In the course of remarks on a regional defense arrangement he said:

> "I hope that we shall be able to agree to an international guarantee of any settlement that may emerge at Geneva. I also hope that it will be possible to agree on some system of South-East Asian defence to guard against aggression. In other words, we could have a reciprocal arrangement in which both sides take part, such as Locarno. We could also have a defencive alliance such as N.A.T.O. is in Europe, and, let me add, such as the existing Chinese-Soviet Treaty provides for the Far East so far as the Communist Powers are concerned.
>
> "That is the kind of plan that should develop. These two systems, I admit, are quite different, but they need be in no way inconsistent. My belief is that by refraining from any precipitate move towards the formation of a N.A.T.O. system in South-East Asia, we have helped to create the necessary conditions in which both systems can possibly be brought into being." (*Parliamentary Debates*, House of Commons, 5th Series, volume 529, column 433)

Mention of this statement occurs twice in the records of talks held on June 25 between British and United States leaders. First, in the unsigned memorandum of a luncheon meeting at the White House, at which the President, the Prime Minister, Dulles, Eden, Merchant, and Sir Harold Caccia were present:

> "Toward the end of the conversation in the course of the discussion of the American reaction to Mr. Eden's speech yesterday in the House, the President described the letter which he had received signed by a majority of the House Foreign Affairs Committee stating in effect that unless our position in connection with Mr. Eden's stated views was made unmistakably clear at this conference, the entire matter of the Mutual Security Program would have to be re-examined.
>
> "The Secretary pointed out that the problem of Indochina and Southeast Asia was probably the most difficult facing the conference. Mr. Eden, who had previously explained that his purpose in resurrecting Locarno was to emphasize the unwillingness of the UK to enter any guarantee of a Geneva settlement which required unanimous action by the guarantors, stated that he would only require about twenty minutes to lay the ground work for the discussion of Southeast Asia and that he was most anxious that the Prime Minister be present at the time. It was accordingly agreed that the group would adjourn to the solarium for a continuation of the discussion." (Conference files, lot 60 D 627, CF 336, CEV MC-2)

The letter mentioned by the President is described and partially quoted in the *New York Times*, June 28, page 3. Another reference to Congressional concern with the concept of an "Asian Locarno" is in Nolting's memorandum to the Secretary dated July 12; see volume I, Part 1, page 737.

Ambassador Aldrich and Sir Roger Makins joined the group during the continuation of the discussion, which is summarized in a separate unsigned memorandum of conversation. The section on Southeast Asia follows:

> "From this point the discussion swung into Southeast Asia, with the Prime Minister's statement that he was anxious to take some of the weight off the United States in its presentation of an anti-Communist front. He said, however, that England would never accept going to war in Indochina. He doubted that the United States would either. He felt, however, that the British could take the major responsibility for the Kra Peninsula line which could be held by sea and air with some ground forces. All of these plans, he said, Lord Alexander would go into with our military people when he came over next month. He went on to say that in building the front against Chinese aggression he hoped that the Colombo powers would find it possible to join in SEATO as well as the Philippines. He said there was no basic conflict between such a treaty and Eden's idea of a Locarno guarantee of a Geneva settlement.
>
> "At this point Mr. Eden said that he was bewildered by the press reaction to his reference to Locarno. He said what he endeavored

to do was to point out the unacceptability of a guarantee of a Geneva settlement which involved the retention of a veto on the part of any single guarantor. 'Change the name Locarno,' Mr. Eden said, 'if it stinks in the United States.'" (Conference files, lot 60 D 627, CF 336, CEV MC–3)

Both memoranda of these conversations held on June 25 were drafted on June 27. For complete texts, see volume VI.

790.5/6–2454

Memorandum of Conversations, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

TOP SECRET WASHINGTON, June 24, 1954.

Subject: New Zealand Views

Participants: Mr. A. D. MacIntosh, Permanent Secretary of New Zealand—Department of External Affairs
Mr. L. T. Merchant, Assistant Secretary, EUR (Separately)
Mr. H. Raynor, Director, BNA (Separately)

When Mr. MacIntosh called on Mr. Merchant he first inquired about the nature of the forthcoming Churchill talks. Mr. Merchant explained their informal nature and the fact that there would be no agenda and indicated he thought the areas of greatest concentration would be Southeast Asia, the EDC-German complex in Europe and the subject of atomic energy.

In this talk and a separate talk Mr. Raynor later had with Mr. MacIntosh the following New Zealand views were fairly clearly put by Mr. MacIntosh:

1) New Zealand feels strongly that some form of broad regional arrangement for Southeast Asia should be developed and the sooner the better. In this connection Mr. MacIntosh at least seemed to feel that an effort should be made to draw the line some where in the area beyond which further Communist aggression would be resisted. The impression was obtained that Mr. MacIntosh personally seemed to think probably all of Viet Nam was lost. He gave the impression that he would like to see, if possible, Cambodia and Laos on the free side of the line.

2) He stated very strongly the New Zealand view that his Government treasures the ANZUS relationship and this must not disappear as a part of any new organization.

3) He expressed the view that it was important to start discussions as early as possible with a group of states as the present handling of this bilaterally in various talks was most difficult and he would think unsatisfactory.

4) He expressed regret that the matter of the ANZUS Minute [1] and possibly other matters had been put to his Government on a hypothetical basis saying it was very hard for politicians to agree to something based on hypothetical situations. It was easier for politicians to reach a decision when they had before them a proposal to meet a concrete or existing situation.

5) He stressed the very great difficulty New Zealand has public-opinion wise of taking a position different from that of the U.K. and expressed the strongest kind of hope that we could work out these matters so that the U.K. would go along. The implication of his remarks was that the ANZUS Minute problem had been complicated for them because of the U.K. attitude thereon.

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[1] See Attachment 2 to Raynor's memorandum of a conversation held between the Secretary, the Ambassadors of Australia and New Zealand, and other officials on June 4, p. 545.

Conference files, lot 60 D 627, CF 339

Position Paper Prepared for the Churchill-Eden Visit, by William D. Fisher of the Office of Western European Affairs [1]

TOP SECRET [WASHINGTON,] June 24, 1954.
CEV D-4/3b

Possibilities of United Action (Some collective security system; scope, nature, procedure, and UN aspects)

U.S. Position (to be raised by US)

1. Now that the probable results of the Geneva Conference are known, the US and UK, in the first instance, must make immediate decisions as to the action to be taken to prevent further Communist infiltration or expansion in Southeast Asia.

2. We believe it is agreed by UK that a defensive alliance should be created and that it should embrace the territories of Thailand, Philippines and probably Burma and should have the full support of Australia and New Zealand as well as the UK. Whether or not it embraces any of the territory of Vietnam, Laos and Cambodia is the question that we should attempt to resolve.

3. We believe we should include Laos and Cambodia plus all of Vietnam that can be salvaged. US–UK decisions now on this point might prevent French agreement to Communist terms which would have the effect of giving these areas to the Communists.

4. US would be prepared to sign a Geneva settlement, assuming obligations as guarantor, only if (1) that settlement met US mini-

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[1] A covering note by Robbins P. Gilman of the Reports and Operations Staff indicates that Fisher was assisted by Samuel De Palma of the Bureau of UN Affairs and by Paul Sturm of the Office of Philippine and Southeast Asian Affairs, and that the paper had been cleared by the Bureau of European Affairs.

mum requirements for a workable armistice and if it did not provide Communists with means for take-over of all Vietnam and Laos and Cambodia, and (2) US-UK agreement had been reached on action to be taken to prevent further Communist expansion in the area. US considers Locarno type pact a dangerous illusion—US cannot have hands tied in event Communists start trouble in Korea, or attempt expand further in Southeast Asia.

5. In the first instance, we should proceed as rapidly as possible with the Thai appeal to UN (independently from Geneva) and with the appeal from Cambodia and Laos if these states are disposed to move in this direction. Initially, this should be limited to POC but if US and UK can agree on paragraph 3 above, their appeals should be broadened to a request for assistance.

6. Time does not allow the formal negotiation of a NATO type treaty for Southeast Asia. We should have a conference of governments concerned to issue communique on a line, the crossing of which by Communist forces, would bring about retaliation from the Southeast Asia alliance.

7. How far is UK prepared to go? Locarno pact would mean limiting SEATO to line Communists would approve.

Probable UK Position

1. UK concurs with 1 and 2 above.

2. However, SEATO should be accompanied by Locarno type pact. Also, UK disagrees with 3 above on basis military situation renders such action too risky and Commonwealth would not acquiesce.

3. No conference on SEATO, no UN action and no final commitments on other points until Geneva Conference over to avoid complicating achievement best obtainable settlement by French and Viet Minh.

Conference files, lot 60 D 627, CF 337

Memorandum by the Foreign Secretary of the United Kingdom (Eden) to the Secretary of State [1]

SECRET

A SOUTH-EAST ASIA SETTLEMENT

A. *If an agreement is reached at Geneva,* there might be:

(1) an international agreement to uphold an Indochina settlement; and

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[1] This memorandum was handed to Dulles by Eden the afternoon of June 25 at the close of the second conversation cited in the editorial note, p. 573.

(2) a collective defence agreement to deter and, if necessary, resist renewed Communist aggression outside Indo-China.

As regards (1):

(a) Such an agreement is desirable:

(i) in order to commit the Communists in writing to maintain the agreed *status quo* in Indo-China; and

(ii) in order to associate as many Asian States as possible with the maintenance of that position.

(b) The agreement should be open for signature by as many South and South-East Asian states as possible and by Australia and New Zealand, in addition to the states participating in the Geneva Conference on Indo-China.

(c) The commitments to be undertaken by the participating states would require further study; insofar as any action is provided for, it must be individual and not *only* collective as the Communists are likely to demand.

(d) An advantage of agreement (1) would be to make agreement (2) more readily acceptable to the Asian states.

As regards agreement (2):

(e) This agreement should be limited to those states willing to accept specific commitments to take military action in the event of renewed Communist aggression outside Indo-China.

(f) Its purpose should be:

(i) to deter such aggression by making clear that it would be met by prompt and united resistance and would involve the risk of general war and

(ii) to provide machinery for effective defence co-operation in the area and for the protection in particular of Burma and Siam against Communist infiltration and aggression.

B. *If no Indo-China settlement is reached at Geneva* only a collective defence agreement on the lines of (2) would call for consideration. Further consideration would also have to be given to possible action in regard to Indo-China, for instance, to save Laos and Cambodia.

C. *Proposed Action*

(1) A planning study of this whole question should be undertaken immediately by the Five Power Military Conference, to which political representatives should be added for the purpose.

(2) This study should embrace both:

(a) the question of the agreements to be concluded (as indicated in (1) and (2) above) in the event that an acceptable settlement on Indo-China is secured at Geneva; and

(b) the question of the agreements to be concluded regarding action to be taken outside Indo-China (as indicated in (2) above) if no Indo-China settlement is reached.

(3) The study should not, so long as the Geneva Conference is continuing, deal with action to be taken in regard to Indo-China itself in the event that no agreement is reached at Geneva.

(4) The purpose of the study should be to prepare agreed recommendations for submission to the five governments on the nature of the commitments to be undertaken in each of the contingencies in paragraph (2) above, the states to be invited to adhere to each of the various agreements contemplated, the timing of such invitations, etc.

[Washington,] June 25, 1954.

Conference files, lot 60 D 627, CF 336

United States Memorandum of Bilateral Conversation With the United Kingdom [1]

SECRET Washington, June 26, 1954—10:30 a.m.

CEV MC-4

Participants:

United States	*United Kingdom*
The Secretary	Mr. Anthony Eden
The Under Secretary	Sir H. Caccia
Mr. Robertson	Mr. W.D. Allen
Mr. Merchant	Sir Roger Makins
Mr. MacArthur	Mr. R.H. Scott
Ambassador Aldrich	Mr. M.G.L. Joy
Mr. Sturm	

Subject: Indochina

The Secretary stated he intended to ask Mr. Eden questions about his document entitled "A Southeast Asia settlement" [2] and asked Mr. Eden what he thought the settlement was likely to be.

[Here follows discussion of prospects for an Indochina settlement at Geneva.]

The Secretary said that if a *de facto* settlement divides Vietnam, why should not what remains after this division be guaranteed by a collective defense system?

Sir Harold Caccia replied that there was no profound philosophy back of this but at Geneva it appeared that these areas would be neutralized behind a political line.

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[1] Drafted June 28. Previously unidentified British participants include: Allen, an Assistant Under Secretary of State in the Foreign Office, and Joy, First Secretary at the British Embassy in Washington.

[2] *Supra.*

The Secretary said that we need to give thought to whether Laos and Cambodia and parts of Vietnam can develop viable non-Communist governments if they are not given substantial help from the outside. In other words, the degree of neutralization or demilitarization, affecting military training missions, equipment and advisors, was very important. If these elements were excluded, it is doubtful that these governments could survive.

Sir Harold Caccia said that Chou recognized the validity of some military elements in Laos and Cambodia, including perhaps a very restricted number of French.

Under Secretary Smith said that while there are very few French cadres in Laos and Cambodia, the Communists have insisted upon the provision of no more arms from outside except for restricted defense. We should take the same line for agreements (1) and (2) of the Eden document, but the line should be political and if it were violated the military would decide where the fighting should take place.

Mr. Eden agreed that the defense line should be the political line, but where should it be drawn? That depends on what comes out of Geneva. He did not exclude from the defense provisions those parts of Indo-China which might be salvaged.

Sir Harold Caccia added the qualifying remark: even though these areas cannot be turned into a defensive position.

Sir Roger Makins inquired about an enclave in the delta.

Under Secretary Smith said that any enclaves which remained would be short-lived and unfortunately would not enter into a permanent political settlement.

Sir Harold Caccia said that if anything was salvaged in South Vietnam, we would have to consider what would bring the secondary pact [3] into operation. Would subversion, for example, do this?

The Secretary replied that in his view this line would not cover internal subversion but he would be glad to consider another view of this matter.

Sir Harold Caccia said that it would be extremely difficult to define the terms of a violation of a defensive line: Assume, for example, that the Communists win elections.

Mr. Eden remarked that we would have to work to improve the lot of those persons remaining outside Communist zones and to hope that things would work out. All this depends on what settlement is reached at Geneva.

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[3] That is, the collective defense agreement referred to in the British memorandum, *supra*.

The Secretary inquired whether, if there were no Indochina settlement at Geneva, the UK would wish to give thought to saving parts of Vietnam.

Mr. Eden replied that he did not believe the people of Vietnam were with us and that consequently a great effort would be required. Laos and Cambodia are different. Moreover, those two countries could be taken to the UN. If Laos and Cambodia, for example, appealed to the UN and the appeal went well that would be a good basis for future action in the area.

Under Secretary Smith said he believed Mendes-France's immediate goal was to gain acceptance of the Thakhek–Dong Hoi line.

Mr. Eden inquired whether Mendes-France would be willing to abandon part of Laos.

Under Secretary Smith said that he would, partly because of the difficulty of defending the long border and partly because the Communists will hold fast to Northern Laos.

Mr. Eden said that he had been disturbed by the staff paper [4] of the five power military talks which had indicated abandonment of so much of Laos.

The Secretary left the room briefly at this time. General conversation in his absence touched upon Communist fear of US bases in Laos and Cambodia, a fact which gives us some bargaining power; French intention not to attempt to hold in the Delta; what we can do to stiffen the French at this time; and French fears that the US and the UK will disassociate themselves from a Geneva settlement.

In reply to a question regarding "C. Proposed Action," Mr. Eden said that the five power discussions had been all white. If the talks proposed in the paper were not all white, we would be faced with the difficult problem of how many, and which, others.

Under Secretary Smith said that we might be able to continue as at present, adding political advisers, without advertising our talks.

The Secretary re-entered at that point and reported his conversation with Ambassador Bonnet, who had brought him two messages from Mendes-France. One of these messages mentioned regrouping of military forces and said that the French would try to hold an enclave in the North and to neutralize the Catholic province of Bui Chu and Phat Diem. [5]

Mendes-France would like the communique on the Eisenhower–Churchill talks to say that a failure of the Geneva Conference would aggravate the international situation.

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[4] Perhaps a reference to Enclosure D to the Report of the Five-Power Military Conference, dated June 11, and entitled "Military Courses of Action in Indochina"; this enclosure is not among the selections from the report printed on p. 554.

[5] For text of this *aide-mémoire*, see telegram 4852 to Paris, June 28, vol. XIII, Part 2, p. 1755.

Mendes-France indicated also that there would be objections from elements in Vietnam about any settlement reached and repeated his hope that we would help sell this to the Vietnamese.

The Secretary continued by saying that there would be more headaches in attempting to develop the five power talks into a political conference. The Philippines and Thailand were already seriously irritated by the purely military talks. Our troubles would become almost unbearable if the five power talks became political.

Mr. Eden suggested that perhaps the US and the UK could talk among themselves, plus possibly the other members of ANZUS. Mr. Eden said that the details that might be discussed were the terms of a formal engagement and who invites whom.

The Secretary said that he thought it was best to proceed on a bilateral basis. The French are preoccupied with other things but their views can be obtained on an *ad hoc* basis. We already know the views of Australia and New Zealand.

Mr. Eden said that he would much prefer this, adding that we could tell Casey what is going on.

The Secretary said that these talks did not have to be publicized.

Mr. Eden replied that we should consider whether they should or should not.

The Secretary said that would depend. We might say that matters had been discussed by the heads of governments and as an aftermath the details were to be discussed at a working level with the objective of putting flesh on bare bones.

He added that under C, paragraph 3 should be eliminated, since at some point we must consider Indochina.

Mr. Eden said that both sides should prepare draft terms of reference covering what the study is to do.

Mr. Robertson asked Mr. Eden's position on the international control commission, in particular whether Mr. Eden still wished the Colombo powers to take on this job.

Mr. Eden replied in the affirmative, adding that one Communist state and "one of ours"; Sweden, Switzerland or Norway, might be added. The Communists for their part might suggest: Poland or Norway plus three of the Colombo powers.

Mr. Robertson inquired why we had to accept a Communist satellite state.

Mr. Eden replied that his position so far was that the Colombo powers should accept supervision.

Mr. Robertson asked why we should dilute this type of control commission. The idea of entrusting supervision to the Colombo powers has great appeal to the Asians.

Mr. Eden replied that the Communists have already rejected the proposal of the Colombo powers plus two others. He said that for himself he was all for fighting the Colombo proposal through since it was much the best solution.

Sir Harold Caccia queried whether we should stick on this issue if there was agreement on everything else.

Mr. Robertson said that the control commission is a very powerful element, particularly since it may be concerned at some time with supervising elections.

Mr. Eden said that recently he had written off the question of a control commission altogether, saying that this was a matter for the French. However, he now agrees that we should stick to the idea of the Colombo powers. He will do everything possible to encourage the French to adhere to this position and if we are unable to make any progress on these lines we shall confer again.

Conference files, lot 60 D 627, CF 337

Agreed Minute of the Governments of the United Kingdom and the United States [1]

SECRET [WASHINGTON,] June 27, 1954.

SOUTHEAST ASIA

A joint UK-US study group will be established at once in Washington to prepare agreed recommendations on the following matters:

1. Assuming France-Associated States and Viet Minh reach agreements on Indochina, which the US and UK are willing to respect—

a. the precise terms on which the UK and US might be willing to be associated with such agreements; and
b. the basis on which the free Asian and other interested non-Communist states might be brought into association with the agreements.

2. Assuming an Indochina agreement, the terms of a collective security pact regarding Southeast and possibly South Asia, designed—

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[1] A number of documents in lot 60 D 627 (all in Conference files 337, 339, and 341) indicate that this Minute was first drafted on June 26 by a US-UK Working Group, received provisional approval of the principals on June 27 and was finally approved on June 28. One change (noted in footnote 2 below) was made on June 28, but the text was not redated. No record of substantive discussions regarding the drafting of the Minute has been found in Department of State files.

a. to deter and if necessary to combat Communist aggression by making it clear that it would be met by prompt and united action and would involve grave consequences; [2]

b. to provide machinery for effective cooperation in defense of the area against aggression and for assisting the lawful governments to resist Communist infiltration and subversion;

c. to commit the members to take, in accordance with their constitutional processes, such action as is deemed necessary, including the use of armed force, in the event of Communist aggression covered by the pact;

d. to protect Laos, Cambodia, and that part of Vietnam remaining free after any agreement, whether or not they are free to participate under the terms of the agreement.

3. Assuming no agreement on Indochina—

a. the form collective defense pact for the purposes outlined in paragraph 2, which would be suitable to the situation;

b. the action to be taken in respect of Laos, Cambodia and Vietnam.

4. The procedure for bringing other interested nations promptly into these negotiations.

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[2] The words "grave consequences" were substituted on June 28 for "the risk of general war". The editors have been unable to determine at whose instance this change was made.

790.00/6-2854

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor) [1]

SECRET [WASHINGTON,] June 28, 1954.

Subject: Southeast Asian Matters

Participants: Ambassador Munro, New Zealand Embassy
Mr. George Laking, Minister, New Zealand Embassy
The Secretary
Mr. H. Raynor, Director, BNA

Ambassador Munro, accompanied by Minister Laking, called on the Secretary late this afternoon at his request. He had just come from a meeting with Mr. Eden and Commonwealth Ambassadors at the British Embassy at which Mr. Churchill had been present for about fifteen minutes. The Ambassador said the British side seemed very pleased with the results of the talks over the weekend and that he, Ambassador Munro, was gratified to hear of the progress which had been made on the problem of Southeast Asia.

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[1] A handwritten marginal note by O'Connor indicates that the Secretary saw and approved this memorandum prior to distribution.

The Secretary indicated that he was also pleased with the talks and felt progress had been made on Southeast Asia. He added, however, that previously he had also felt that progress had been made and he was somewhat restraining his optimism until we could see how the work of the US-UK team developed. He explained on the ground of not offending the sensitivity of the Philippines and Thailand, the decision to proceed with the work on the next stage on a bipartite basis. He indicated that it was our intention to keep New Zealand and Australia fully informed as this work proceeded. The Secretary explained how one sentence of the Southeast Asian section of the Communiqué [2] had been inserted in an effort to strengthen the hand of Mr. Mendes-France in his current negotiations following word from him that he would like something along this line. The Secretary also indicated that agreement had been reached on minimum terms which would be acceptable to the UK and US and these had been transmitted today to the French. [3]

The Ambassador inquired about the ANZUS meeting Wednesday afternoon [4] and said he and Ambassador Spender had been discussing whether or not it would be desirable to have military representatives in attendance. The Secretary indicated offhand that he doubted if this would be necessary for the Wednesday meeting although it might be advisable later.

Ambassador Munro then raised the question of the "political declaration" part of the plan. The Secretary explained that the feature of the Locarno proposal which was unacceptable to us and which he thought had now been dropped was the cross guarantee idea. We are perfectly willing to agree to a statement that changes should not be brought about by the use of force and to discourage the use of force even to cut off aid to someone on our side if force is used but that we are not willing to guarantee Communist control of areas which they have seized. In this connection the Secretary mentioned North Korea and East Germany by way of example. While a mutual renunciation of force to change the *status quo* is all right, we are not willing to guarantee the status. The Secretary said he thought it would be possible to draft a declaration renouncing the use of force. Ambassador Munro commented that Mr. Eden had referred to this as a declaration of nonaggression.

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[2] The Southeast Asia section of the joint statement of the President and the Prime Minister, issued June 28, reads as follows:

"We discussed Southeast Asia and, in particular, examined the situation which would arise from the conclusion of an agreement on Indochina. We also considered the situation which would follow from failure to reach such an agreement.

"We will press forward with plans for collective defense to meet either eventuality.

"We are both convinced that if at Geneva the French Government is confronted with demands which prevent an acceptable agreement regarding Indochina, the international situation will be seriously aggravated."

For full text of the joint statement, see Department of State *Bulletin*, July 12, 1954, p. 49.

[3] See telegrams 4852 and 4853 to Paris, June 28, vol. XIII, Part 2, pp. 1755 and 1757.

[4] Minutes of the informal ANZUS meeting held June 30 are on p. 588.

Ambassador Munro said he hoped at Wednesday's meeting the US would review its present thinking on how Cambodia, Laos and Thailand would be treated. He expressed the view that outside of those states Burma is the only Asian state which would be a possibility as a member of any defense organization. He thought, however, that there was no possibility now of India attempting to stop the formation of such an organization.

The Secretary expressed agreement with this thought but observed India had in effect previously stopped its formation. He said he felt a great deal had been lost by the three months' delay as had the organization been formed three months ago the French could probably have had a much better deal than now would be possible. He added that the offset to this, the value of which it was difficult to measure, was the more tolerant attitude that had apparently developed on the part of India and other Southern Asian States.

Ambassador Munro agreed to this thought and said he thought another offset was probably the development of a more favorable public opinion attitude in the UK and he would not be surprised if the same were true of the public opinion in the three ANZUS States. He concluded by saying that New Zealand was anxious to press on with the creation of the security organization.

790.5/6-2954

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor) [1]

TOP SECRET [WASHINGTON,] June 29, 1954.

Subject: Southeast Asian Problems

Participants: Mr. Richard G. Casey, Minister for External Affairs, Australia
Ambassador Spender, Australian Embassy
The Secretary
Mr. Merchant, Assistant Secretary, EUR
Mr. Raynor, Director, BNA

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[1] A handwritten marginal notation reads: "approved with changes p. 2 R[oderic] O'C[onnor]". These changes are noted in succeeding footnotes.

The Secretary opened the conversation by indicating that at the informal ANZUS meeting tomorrow he hoped to receive considered Australian and New Zealand views as to how we should proceed on this problem. He indicated that obviously a good bit depended on the form of settlement or absence of settlement achieved by Premier Mendes-France in his current discussions. He indicated we hoped it would be possible for him to make a not less favorable agreement than a line across Viet Nam at Dong Hoi. He said we would then be faced by the problem of building up local defenses in the areas which would remain on the free side of the line and also rendering economic aid to those areas both in an effort to prevent subversion. He said that China may want to neutralize these areas as they seem to be afraid of American influence therein. The Secretary said we have no desire to establish bases in such areas but we do feel it is important to be able to render assistance, to send advisers, etc. We have indicated this to the French as a point we hope they will be able to salvage in whatever agreement they will reach. The Secretary observed that even if such states or areas were demilitarized it would be possible to include them behind the line and to guarantee them. He cited in this connection the status of Belgium prior to World War I.

The Secretary expressed the view that Thailand and the Philippines would almost certainly join in collective defense arrangements. He was hopeful but not certain as to Burma but saw no real hope as to Indonesia. He said that it was too bad that this couldn't have gone forward three months ago as the French could probably have utilized it in order to reach a better agreement but the problem now is to make the best we can out of the present situation. We must recognize that the French are handling the negotiations and are probably thinking primarily of their own interests. In this connection he cited the fact that as far as we can judge Laniel and Bidault really did not desire to see the struggle internationalized and merely wished to use the possibility of international intervention as a card to play in the Geneva negotiations. The Secretary said we had very sketchy information on the present negotiations.

Mr. Casey said that he had talked with Chou [2] at Geneva who had made a strong point about there being no American or Western bases in Laos and Cambodia. Mr. Casey said he had indicated to Chou that he didn't think this would be a difficulty provided a principle of mutuality applied to which Chou had observed his bases would be for defensive purposes only.

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[2] Chou En-lai, Premier of the Government Administration Council, Minister of Foreign Affairs, and Head of the People's Republic of China Delegation to the Geneva Conference.

Mr. Casey then said that in his talks with the Foreign Ministers of Laos and Cambodia he had been impressed by their desperate need for technicians of all kinds. He said that Australia would attempt to help in this matter under the Colombo Plan but they had few French-speaking technicians whom they could send and expressed the view that perhaps Canada could be helpful in this respect. He said he had talked to Mr. Pearson on this matter who had seemed interested. Mr. Casey said he intended to pursue this with Mr. Pearson. [3] In this connection he said he was impressed by the same need for technicians in East Pakistan. He said he is going to attempt to get additional Australian appropriations for the Colombo Plan and that Mr. Pearson had intimated to him that he would try to do likewise, perhaps attempting to double the present Canadian contribution of $25 million. Mr. Casey wondered as to the Secretary's views on this question of economic and technical aid.

The Secretary said he realized that it was possible to spend too much money on the military side and inadequate sums on the economic. He felt that while the Communist [4] military strength had no doubt been a factor that most [5] of their conquests thus far had been by means other than direct military aggression of the Hitler type; the technique of subversion, terror, etc., had been employed. He agreed that it would be necessary to pay more attention than heretofore to the economic and social aspects of the problem in some areas. He observed that if a settlement were reached he does not believe it will be breached by open military aggression particularly if the Communists are made to realize that such aggression would be a danger signal which might bring on a chain of reactions which could be disastrous to them. It is more apt to be a problem of meeting subversion which the Communists could set in motion by fomenting a revolution based on some grievance or other. The Secretary mentioned as an example that our present trouble in Guatemala stems back to the Communists taking advantage of a revolution started in 1944 based on then existing grievances.

The Secretary then commented on the inadequacy of the governing group of Viet Nam and how little in the way of leadership had been found on which to build. The few educated people have largely been educated in France, maintaining close ties with the French and appear to have lost contact with the people of Viet Nam. There is also considerable corruption and what little leadership has been found has largely been in the Catholic element in the Northern part of the country. The Secretary said he felt personally that if a settlement is reached it would be best for the French to withdraw from all of Viet Nam. He thinks should they attempt to maintain a position in the south that we might well have to look forward to a repetition at a later date of the same kind of problem with which we are now faced. He thought the alternative of attempting to develop native leadership in the south might hold more constructive possibilities. He doubted if this leadership could be developed unless the French get out completely. In answer to Mr. Casey's inquiry as to whether this is what Mendes-France contemplated, the Secretary and Mr. Merchant replied that we did not think so but this point was not clear by any means.

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[3] Lester B. Pearson, Canadian Secretary of State for External Affairs.

[4] On the source text, the handwritten word "Communist" has been substituted for "Chinese".

[5] On the source text, the handwritten word "most" has been substituted for "all".

Mr. Casey said that he had been considerably impressed by a long talk he had recently had with Prince Wan of which he would give us his record. He said Prince Wan seems to have the future fairly well plotted out in his mind. Prince Wan welcomes Mendes-France and believes Mendes-France's plans for the French to withdraw on a phased basis over 18 months to two years. The Prince also thought perhaps the new Prime Minister may be a man around whom strength and leadership can be built.

Mr. Casey then talked of the situation in East Bengal which he said he knew well. He is apprehensive that the situation has the potential of all kinds of unpleasantness. He thinks some kind of an uprising, engineered by the extreme leftwing is possible and said he thought Zafrulla Khan [6] agreed with him. He said the economic position of this province is dreadful. There has been a catastrophic decline in the price of jute; the area is short of consumer goods and has no foreign exchange with which to replenish such supplies from the outside. He commented again that he was more and more impressed by the need of economic aid to the South Asian areas.

Mr. Casey then inquired about our views on Mr. Eden's idea for a non-aggression pact. Mr. Casey said he saw possibilities from a psychological point of view of such a move being effective ideologically as an expression against Communism.

The Secretary indicated that he was not clear as to the necessity for having a dual system unless perhaps it would result in India and Burma participating in the one system but not the other. The Secretary said he didn't think there would be any objection to repeating in some kind of an agreement the UN Charter language on non-aggression.

Mr. Casey said he thought the repetition could be worthwhile as it would be a repetition with a local significance. Mr. Casey said he would view this kind of an instrument as a public relations gambit without teeth and that side by side with it you could have the collective defense arrangement with teeth.

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[6] Mohammed Zafrullah Khan, Pakistani Minister of Foreign Affairs and Commonwealth Relations.

Mr. Merchant observed that a non-aggression pact would, as we understood the Eden proposal, be directed against overt aggression but not covert subversion.

The Secretary said he could see no harm in a self-denying ordnance embodying UN Charter provisions.

Mr. Casey thought we might need something like this as an antidote to the Chou-Nehru non-aggression pact concept which he thought would be well received in Asia. We will need something to counter this and at the same time get real substance in a SEATO arrangement.

Mr. Merchant and the Secretary explained that while the self-denying ordnance concept might be acceptable here we could not get in a position where we would be cross guaranteeing Communist-held areas. He cited the case of North Korea as a case where it would not be possible for us to have an arrangement which would make it necessary to join with the Communists in fighting Rhee should he attempt to invade North Korea. On the other hand we would discourage and so far discouraged successfully Rhee from that kind of an adventure; we would not support him in it; in fact, we would probably cut off aid to him should he try it but we would not under any circumstances join with the Communists in attempting to destroy him.

The Secretary said that this was what had been read into Eden's Parliamentary speech by our Congress and our public and this had led to the development of as strong and solid opposition to this concept as he could remember in this country on any matter in a long time.

The Secretary said in his view it was essential to draw a line under some SEATO arrangement which the parties joining in the arrangement would agree to defend by force if the line was breached.

Mr. Casey said he was in full agreement with this.

In connection with the possibility of a non-aggression pact with UN Charter language, Ambassador Spender raised the question as to what our position would be as to Communist China joining in such a pact and the Secretary indicated this might constitute a problem for us. He repeated that we had no preconceived opposition to some kind of non-aggression pact if India and Burma could be brought into it. He repeated that we desire to concentrate on building up economies of the states and area near the line when this is drawn. He questioned whether it would be desirable for Pakistan to participate in a SEATO arrangement after Mr. Casey had expressed the view that he thought Pakistan might be prevailed upon to go into both kinds of arrangements.

Ambassador Spender raised the question of timing and as to priority between the two kinds of proposals.

The Secretary replied that while the final consummation of a SEATO arrangement, meaning the completion of ratification process in various countries would take some time, it was important for at least the executive agencies of the various governments to reach agreement on a line as soon as possible. He said he felt that the Communists will stop where we stand and not before. He thought, furthermore, that if the Communists could see progress on the matter of determining a line that it would help the French to obtain a better settlement. While the Communists might have the potential of taking over the entire area he thought they would hesitate to attempt this if they realized the consequences of breaching the line. The Secretary said he thought it was important to get a SEATO agreement developed which could be signed or initialled on the executive level in a matter of 3 or 4 weeks and that in turn could serve as a basis for the development of an interim ad hoc arrangement for the defense of the area pending the time which would be required for the completion of ratifications.

790.5/6–3054

United States Minutes of Informal ANZUS Meeting

TOP SECRET [WASHINGTON,] June 30, 1954—2:30 p.m.

Participants:

United States
The Secretary
The Under Secretary
Mr. Merchant
Mr. Robertson
Mr. Bowie
Mr. Raynor

Australia
Mr. R. G. Casey, Minister for External Affairs
Ambassador Spender
Mr. J. McIntyre, Australian High Commissioner's Office, London
Mr. F. J. Blakeney, Minister Australian Embassy

New Zealand
Ambassador Munro
Mr. G. Laking, Minister
Mr. H. Wade, First Secretary
Mr. H.P. Jeffery, Second Secretary

The Secretary after welcoming Mr. Casey and the other representatives said that he thought the United States position on the several matters affecting the area of Southeast Asia had been made clear. Nevertheless, he would review it briefly. In the first place we felt that if there should be open Communist Chinese aggression it would mean the adoption by them of a new line of policy which would threaten the vital interests of the three ANZUS countries in the Pacific. The United States would regard such a threat so seriously that the President would go to our Congress to ask for war powers. The Secretary hoped and believed Australia and New Zealand stood with us on this matter. This matter was so serious that the United States might have to stand alone on it but he hoped this would not be necessary. In particular he felt that a determination on the part of all of us would be a deterrent as there would then be no room for miscalculation on the part of the Communist Chinese.

There are other situations in the area about which the United States is gravely concerned but where it would be difficult for the United States to act alone. The present Indochinese situation is a case in point. On this matter we have made known for some time our willingness to act with others. In early April we made this known to the Prime Minister of the United Kingdom and also to France but France has been reluctant to see open international intervention and has not been willing to invite it and the United Kingdom has also been hesitant on the matter. Under these circumstances the United States is not willing to "fight its way in" alone. However, the United States is still disposed to make a stand with force at any point where the issues are clear, worth fighting for and if others are willing to stand with us. Recent events have caused us concern. We believe if some agreement could have been reached several months ago while the Geneva Conference was going on it would have been possible for an agreed solution to have been reached at Geneva which we all might find acceptable. Whether under present conditions France will be able to attain a settlement which would be acceptable or, indeed, to assume the risks which would be involved in attempting to attain it is rather doubtful. The Secretary then read the points agreed to in the UK-US talks which are being transmitted to the French Government jointly by the United Kingdom and United States as to the ingredients of an acceptable settlement which the United Kingdom and United States Governments would be willing to respect. These points are that the settlement should:

1) preserve the integrity and independence of Laos and Cambodia and assure the withdrawal of Viet Minh forces therefrom;

2) preserve at least the southern half of Vietnam, and if possible an enclave in the Delta; in this connection we would be unwilling to see the line of division of responsibility drawn further south than a line running generally west from Dong Hoi;

3) does not impose on Laos, Cambodia or retained Vietnam any restrictions materially impairing their capacity to maintain stable non-Communist regimes; and especially restrictions impairing their right to maintain adequate forces for internal security, to import arms and to employ foreign advisers;

4) does not contain political provisions which would risk loss of the retained area to Communist control;

5) does not exclude the possibility of the ultimate unification of Vietnam by peaceful means;

6) provide for the peaceful and humane transfer, under international supervision, of those people desiring to be moved from one zone to another of Vietnam; and

7) provide effective machinery for international supervision of the agreement.

The Secretary said that an agreement which included these points would leave a defensible position and that he was skeptical as to the ability of the French to get it unless they know they have some support on that position. This was the reason for making these reasons known to the French. The United States would be willing to take a stand on that or possibly on another basis but we have found thus far no one else willing to take a stand with us. He said he did not know whether the Communists would or would not accept these points. He was apprehensive that they might agree to something which looked very much like this but which would omit the necessary safeguards. In other words, there might be a possibility of getting this type of facade but in doing so the French would give away on so many details that the Communists would be able to take over the remaining area within a short time with the result that a situation would be created which would then directly threaten Thailand. The Secretary said he believed that the Communists would stop at a line if it were possible to set a line. On the other hand, perhaps the desire for peace in France is so strong and the feeling in Asia so strong that little if anything can be accomplished.

Mr. Casey said that his Government appreciated and welcomed the interest and concern of the United States Administration in Southeast Asia which was so near Australia's back yard but he said some points on the matter were not entirely clear. For instance, he assumed that the French were still in touch with the other side and that the results of these negotiations would be known in a few weeks and he assumed we were in close touch with these talks.

The Secretary replied that we were unfortunately not in very close touch with the present French talks. He observed that certain talks which had been scheduled to be held in Indochina itself had just been postponed, the Communist reason of record being the rank of participants but that perhaps there were other reasons.

Mr. Casey inquired if an arrangement on Laos and Cambodia is being negotiated and if an arrangement is reached if it will be an agreement solely between China and France. He thought it was to our advantage that they not be the only participants. He said that based on his own conversation with Chou he had the impression that Chou's main preoccupation was with the question of bases or airfields. He did not see how France could answer for the United States on that point. He wondered if it would be possible for the United States to make known its position on this point.

He also inquired as to who would be the participants and the signatories on the various agreements which may emerge. He raised this point in connection with what he presumed to be the likely agreement on Vietnam which would provide presumably for a temporary or permanent division of authority with the areas north of the Dong Hoi line less perhaps an enclave going to the Communists. Who would be the signatories to such an arrangement? Is a division of authority in any way to be guaranteed by others than the belligerents? He also asked if, in connection with the drafting of a SEATO, would it be contemplated that there be some form of a temporary SEATO to function until the time ratifications on a permanent instrument could be obtained. He inquired what SEATO would guarantee. He suggested that it might guarantee the autonomy of Thailand, Laos, Cambodia, the remnant of Vietnam and possible other named states, with the signatories committed to use force to guarantee the autonomy. This procedure he said could entail the recognition of a Dong Hoi line without necessarily mentioning it by embodying in the instrument a determined intention to guarantee the autonomy of certain named states. He also inquired about the timing of a possible non-aggression pact without teeth which he said would be of a pious nature and have a psychological or public relations purpose and to which he thought India and Burma might adhere.

Ambassador Munro stated that the New Zealand Government recognizes the threat to security of overt Chinese aggression and shares the U.S. concern on this matter believing such aggression should be resisted. He added that he felt New Zealand's record would indicate that New Zealand would play its part in such resistance. In the event of this happening New Zealand would favor immediate reference to the UN and consultation with the United States and other interested powers.

Ambassador Munro said that New Zealand favors the immediate prosecution of efforts to establish a SEATO and inquired as to our view of the period of time which this would take. He also inquired as to how the political instrument (apparently referring to the so-called non-aggression pact) would proceed. He also inquired how any settlement which the French reach could be implemented. He expressed the view that these matters (i.e., the political instrument and the implementation of a French settlement) should not be permitted to impede the development of a SEATO to which New Zealand attached first priority. He said that in the New Zealand view indirect aggression is the greatest danger and he wondered how this would be defined and what obligation with respect to it would be included in a treaty. He expressed the view that New Zealand was confident that the U.K. would become a party to these kinds of arrangements. He said that there would be a foreign affairs debate next week and that his Minister had been considering mentioning in the debate the need of consultation should there be overt Chinese aggression.

The Secretary said he welcomed the statements with respect to overt Chinese aggression which he believed was unlikely to occur but which if it did occur would constitute a threat of a new and serious character. It would mean that a decision had been taken to attempt to drive the U.S. and its allies out of the Western Pacific and turn the Pacific into a Communist body of water. The Secretary added that he felt overt Chinese aggression would be especially unlikely as we make clear that grave consequences would follow.

The Secretary said the other questions which had been raised involved:

1) the French settlement;
2) the establishment of SEATO; and,
3) the psychological instrument.

Commenting on the psychological matter, the Secretary said that we were not particularly interested in this unless it would result in arousing India's interest. If it were intended that such an instrument would guarantee Communist conquests and that the signatories would be committed to fight to sustain such conquests the U.S. could not be considered to be a party to such an instrument. In this connection he referred to the overwhelming sentiment in Congress as reflected in the vote yesterday on the amendment to the Mutual Aid Bill on this subject. However, a simple reaffirmation of the UN Charter language such as Article 2 (4) expressed in the locale of Southeast Asia which would not consecrate Communist conquests but merely indicate the intention not to use force might be possible. He added, however, that he felt the initiative on this could come from some country other than the U.S. as we are not especially interested in it.

Turning to the question of a French settlement the Secretary said that in view of the uncertainty as to the nature of this settlement it might be possible to draw up a treaty leaving the area to be covered blank. In answer to Mr. Casey's inquiry he felt Laos, Cambodia and what is left of Vietnam should be included even if they are demilitarized.

The Secretary agreed that the greatest danger in the area is the danger of subversion. On this question we have had little experience. Guatemala is an example. At Caracas the Organization of American States took a forward step by passing a resolution [1] which said in effect that Communist control of political institutions of any American State is in itself a threat to the hemisphere to be met by concerted action. He said at the meeting which had been planned of the OAS, economic sanctions would have been imposed on Guatemala. He felt that the knowledge that this was coming plus the fact that the UN did not meddle into a situation which was being handled by the OAS, had brought about the present favorable outcome of the Guatemala situation.

The Secretary said a doctrine of the above type could perhaps be applied to Laos, Cambodia and Vietnam but he wondered if others would be willing to do so.

Ambassador Spender commented that the kind of action contemplated would in his opinion be the nub of the question.

The Secretary said the action contemplated was left blank at Caracas with the idea of deciding it on a case by case basis as situations developed.

Ambassador Spender inquired what our position would be if Communism spread in these countries following elections.

The Secretary replied that in his view any substantial expansion of Communist sphere of influence is a danger which should be resisted and he felt this should be done even if it resulted from purportedly free elections. He said he realized that was an extreme statement and if elections were adequately supervised and really free would not apply but he felt the danger here was not real as the Communists would not agree to free elections even though in parts of this area they might be able to win such elections. He thought, however, the Communists would refuse to agree to proper safeguards because of the precedent this would set for other areas such as Eastern Germany.

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[1] Apparent reference to the "Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against the Intervention of International Communism", approved at the Tenth Inter-American Conference held at Caracas, Mar. 1-28, 1954. For text, see Department of State, *Tenth Inter-American Conference* (Washington, Government Printing Office, 1955), pp. 156-157. For documentation on this Conference, see vol. IV, pp. 264 ff.

Ambassador Spender inquired if there were not a risk that the French would agree to plans for an election without proper safeguards.

The Secretary agreed that this was possible and that if it happened it would mean a Communist takeover in the area six months hence.

Mr. Casey said that he would feel happier if the U.S. were participating in some way in the current French negotiations.

Ambassador Munro asked if the press was correct in reporting rather rapid French military evacuations.

The Secretary said this was so and that they were retracting their defense perimeter in the Delta and that the Communists were moving into the evacuated areas within 24 hours after the French left. He said he happened to note a picture of some units of the French Fleet standing by at Haiphong which might imply plans for future evacuation.

Mr. Robertson reverted to the subject of elections and observed that in Cambodia we had the situation where the problem was caused by an invading army and that it was rather ridiculous to think that elections would be the solution for the problem which was not an indigenous one.

Ambassador Spender commented that we would fool ourselves if we think that the creation through SEATO or otherwise of a military shield in the traditional sense would be effective.

The Secretary agreed and said the real problem is how to bolster up the governments of the area so that they will not fall. They need to be permitted to have armies for internal security, to have some military advisers and to receive economic and technical assistance aid. He thought these things could be accomplished provided we have the time, the will and the money.

The Secretary said we do not have the slightest desire to have bases in Laos or Cambodia. He said as a matter of fact, the Thais have been pleading with us for a year or more to establish an air base in Thailand. He said this cry against U.S. bases by the Communists was really a slogan meaning Americans go home and reflects a desire on their part to keep the governments of the area weak so that they will collapse. He added that what may come out of a settlement therefore may be a fraud as it may have the color or cover of independence but with details so weak that the governments cannot possibly be strong enough to stand up against subversion.

Mr. Casey expressed himself as being in full agreement on the need for economic and technical aid.

The Secretary referred to the attitude of the governments of the Associated States and said the French apparently wanted us to bludgeon them into accepting whatever the French accept. On the other hand the Associated States are requesting military and other forms of assistance. He said this places us in a very difficult position especially as we do not know the form the settlement may take. Furthermore, should the Associated States be unwilling to accept what the French have agreed to we may have a situation resembling an inoperable armistice.

General Smith said it was most difficult to try to keep track of the talks which apparently were going on on at least three different levels. He had the impression that they were generally talking along the lines of the Molotov proposals which would mean no foreign troops, no foreign assistance of any kind, which would leave the Associated States isolated and weak.

Ambassador Munro inquired if there was really any serious hope of holding any part of Vietnam.

General Smith replied that he thought the French were asking for a free hand south of the Dong Hoi line, the neutralization of the two Catholic bishoprics and a temporary enclave in the Delta for evacuation purposes. He thought the Viet Minh on the other hand were probably demanding an enclave in northern Laos.

Ambassador Spender, supported by Mr. Casey expressed the view that it was essential for the French to inform the U.S. of what was going on. They said they thought the French were so indebted to us that they could hardly see how the French could refuse at least the presence of a U.S. observer.

General Smith commented that the French thus far have not even brought in the Vietnamese and referred to the embarrassment which would be caused to us by being confronted with a *fait accompli* which we could not accept.

Mr. Casey then inquired if events have overtaken the idea proposed by the U.S. of the ANZUS Minute [2] on overt Chinese aggression. He wondered if we still wanted a reply or if this would be covered in the SEATO instrument. He said Australia was willing to enter into discussions with us to develop plans, i.e., what each country would do in the event of the occurrence of this contingency but that he felt this might better be done under SEATO.

He then said Australia was prepared to join with the U.S., the U.K. and others in the guaranteeing of an acceptable settlement which would be backed up by force if necessary. He was not clear, however, as to what would be guaranteed, i.e., whether it would be based on the settlement the French make or whether it would be something to be determined by SEATO. He said it would be extremely difficult for Australia to create a breach in the Commonwealth ranks by going into something in which the U.K. did not participate but he said he held the view that the U.K. was now just as committed to SEATO as the rest of us.

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[2] See Attachment 2 to Raynor's memorandum of a conversation held between the Secretary and Ambassadors Munro and Spender on June 4, p. 545.

General Smith said that one of these days he thought the three ANZUS members should discuss together estimates of what each country would be able to contribute and he hoped at the proper time Australia and New Zealand would be willing to join with us in such a discussion.

The Secretary inquired as to what the position of the ANZUS Treaty would be in the event of the creation of a broader treaty organization, i.e., would the broader treaty replace the ANZUS Treaty?

Ambassador Munro stated that the view of his Government was definite that ANZUS should be preserved no matter what broader treaty is created.

Ambassador Spender said that this was also the firm opinion of the Australian Cabinet.

Ambassador Munro added that New Zealand would be concerned about any idea of supplanting or weakening ANZUS.

The Secretary referred to the question of the ANZUS Minute and said that in some ways this had been overtaken by events as SEATO should cover the matter as to the area covered by SEATO. He said, however, in raising this matter he had been thinking of the peril inherent in the rising power and aggressiveness of Communist China. The Chinese may feel hemmed in by the Island Chain feeling that this line makes the Pacific a Western-dominated area and sometime the Chinese may, therefore, feel they must attempt to break this line. He had really raised this question from that broad angle.

General Smith wondered if the Agreed Minute, therefore, really had been overtaken by events and whether it wouldn't be appropriate, pending the development of a SEATO for ANZUS to agree to it at this time. He referred in this connection to the provision contained therein for the immediate appeal to the UN for concerted action.

Mr. Casey said he had assumed the Minute was intended to be a confidential one.

The Secretary said this was the case. He had not intended to have it published. He said he had really wanted to know how Australia and New Zealand felt about the matter. He thought now he did know and thought this was, therefore, sufficient for the time being.

Ambassador Munro inquired how long we expected the SEATO discussions would be on a UK-US bilateral basis. He said that this had an effect on ANZUS and his Government didn't want to see ANZUS weakened.

Ambassador Spender seconded this saying that he believed the ANZUS states had the right to be in on the discussions from the beginning.

The Secretary replied that the bilateral phase of the SEATO discussions were in effect merely a prolongation of the weekend talks and he thought the bilateral phase should last only a few days. Indeed, it might be possible to have concurrent ANZUS talks. He said we would really prefer to be talking on this with our ANZUS partners as we believe our interests were closer to theirs. He said Mr. Eden had originally suggested attaching political personnel to the five-power military staff group but that we had not favored this idea because of the resentment these talks had caused in the Philippines and Thailand. He referred to the complete over-expansion of French commitments and to the fact that the UK was also seriously over-committed. The US does have force which can be employed and it is our desire to work most closely on this with Australia and New Zealand.

General Smith suggested that there should be an ANZUS Deputies meeting as soon as the bilateral US-UK group makes sufficient progress to make it worthwhile.

The Secretary said we must give careful consideration to the formulation of the operative part of a SEATO treaty, i.e., what would "trigger it off" and that we also must give very careful thought to the formulation of the obligations which the members will incur.

Mr. Casey said he assumed in all of this that we were talking about the area of Southeast Asia and not considering the inclusion of Japan or ROK.

The Secretary indicated this was correct.

Ambassador Munro inquired as to what hope we had of Burma being included.

The Secretary said he was quite certain if we had two instruments, i.e., some political non-aggression instrument in addition to SEATO that he felt quite certain that Burma would sign only the innocuous instrument.

Ambassador Spender said in his own thinking he had thought the treaty might include a variety of headings including headings on military, economic aid, technical assistance, peaceful use of atomic energy, cultural relations and internal security.

Mr. Casey inquired if we thought something on the subject of economic aid or technical assistance could be written into the treaty. He said this would be good bait to the Asians as it would be attractive to them.

The Secretary offhand thought the treaty could contain a provision for meetings on various common problems such as for instance the problem of raising the standard of living. He thought the treaty could provide machinery for this but should probably not contain commitments on it. He added that if the treaty contained an economic section it might add to its attractiveness to countries such as Indonesia.

Mr. Casey said he would not expect Indonesia to enter into a SEATO which had any teeth in it. He said he wanted to mention what he regarded as a deteriorating situation in Indonesia and to the fact that the Australians firmly supported the Dutch position on Netherlands New Guinea although they were attempting to do so without unduly irritating Indonesia. He said he believed in the light of developments in Indonesia that the Australian position on Dutch New Guinea was proving to be correct. He said that the Australians had picked up a hint in Djakarta that the Indonesians might attempt to angle for US support on New Guinea by promising better general behavior. He hoped that if this should happen the US would not alter its attitude. He said the position of the government and public opinion on this question in Australia was extremely firm and public opinion on the subject lively.

The Secretary said we had no present intention of altering our position on the matter and certainly would not do so without consulting the Australians.

General Smith commented that from talks he had had at Geneva with Netherlands representatives he understood they would be willing to join in Southeast Asian arrangements. He said he had attempted to explain tactfully why this would not be desirable while at the same time expressing satisfaction that they were contemplating a strengthening of their forces in New Guinea.

Ambassador Munro raised the question of how Korea could be kept off the agenda of a renewed or special General Assembly on the Thai appeal. The question was not pressed.

Mr. Casey inquired as to what would happen if the French reach no agreement and the Viet Minh continue their military successes in the Delta. He also asked if we assume a continuance of the Geneva Conference.

General Smith said that in reply to the first question that it might be necessary to stage a rescue operation in which he thought the British might be willing to participate.

On the second question, the Secretary said that further high-level US participation at Geneva would depend primarily on developments.

There was then a brief discussion of the idea of guaranteeing the Geneva results and Mr. Robertson said that at Geneva the idea was that all participants in the Conference plus the Colombo powers would be invited to enter into such a guarantee.

The Secretary said that it was unlikely that the US would do this and certainly we would not join in a guarantee of a settlement which we regard as unacceptable.

Mr. Casey said he gathered it was the consensus that under SEATO the integrity of certain named states would in some way be guaranteed.

The Secretary closed the meeting by thanking Mr. Casey and Ambassador Munro for attending and expressed a desire on our part for continued close consultation and cooperation with our ANZUS partners.

Editorial Note

During his report on the Churchill-Eden visit, delivered to the National Security Council at its 205th meeting, July 1, Dulles was asked whether there had been any progress during the conversations with regard to a regional grouping for the defense of Southeast Asia against communism.

"Secretary Dulles replied that there had been progress, and that joint conversations on the subject would start this week. The British had initially proposed to reactivate the Five-Power staff conversations, but we had opposed this proposal. Thereafter, agreement had been reached to pursue this subject by means of a series of talks. The first of these, among the ANZUS powers, had already taken place. It would be followed by subsequent conversations with the Philippines, Thailand, etc. The position of the French in this situation was extremely difficult to understand since, in effect, the French had 'gone underground.' Mendes-France was plainly trying to pressure the United States to urge the Associated States to agree to whatever settlement the French made with the Communists in Indochina. We had refused to be party to this." (Eisenhower Library, Eisenhower papers, Whitman file; memorandum by Gleason of 205th NSC meeting)

Conference files, lot 60 D 627, CF 341

Memorandum of Conversation, Prepared in the Department of State [1]

SECRET [WASHINGTON,] July 6, 1954—4-5:30 p.m.

STATE-DEFENSE DISCUSSIONS OF FORTHCOMING US-UK STUDY GROUP MEETINGS

Participants:

State	*Defense*
The Under Secretary	Admiral Davis
Mr. MacArthur/Mr. Murphy	Mr. Sullivan
Mr. Bonbright	
Mr. Drumright	
Mr. Phleger	
Mr. Stelle	
Mr. Tyler	
Mr. Sturm	
Mr. Gullion	
Mr. Draper	

Mr. Murphy opened the meeting.

Mr. MacArthur reviewed the recent history leading up to the US-UK Joint Study Group meetings. The first meeting will be held July 7 at 4:00. The British will be represented by Sir Robert Scott, Michael Joy and others, and we will have General Smith as our chief representative.

Admiral Davis said that he and Mr. Sullivan would be the Defense representatives. The Admiral said that Defense hopes these talks will be of a generalized nature and not get to specific military topics for the time being.

Mr. MacArthur plans to recommend that General Smith take the position regarding publicity for these talks that no communiques or background statements will be issued, that they are exploratory and technical. We will keep our public relations people advised, but not of the substance.

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[1] This document is at Tab 6 of a group of papers entitled "Documentary History of US-UK Joint Study Group".

Department of State participants not previously identified include Herman Phleger, Legal Adviser; Charles C. Stelle, a member of the Policy Planning Staff; William R. Tyler, Deputy Director of the Office of Western European Affairs; and Edmund A. Gullion, also of the Policy Planning Staff; Morris Draper, an Administrative Assistant in the Executive Secretariat.

From the Department of Defense, Charles A. Sullivan was Deputy for American, South Asian, and Far Eastern Affairs in the Office of Foreign Military Affairs.

Mr. MacArthur said that the Secretary wished to emphasize item two (. . . terms of a collective security pact . . .)[2] and leave to the British any proposals they may wish to forward on the other three items.[3] The Secretary had directed Mr. Phleger to prepare two papers: 1) a draft treaty, which will not be tabled with the UK; and 2) a working paper incorporating what we believe should be included in a possible draft treaty, this paper to be tabled with the UK as representing the unofficial ideas of the US half of the Study Group.

Mr. MacArthur said that the Secretary wants the British to take the initiative on item 1. At an appropriate time, our position should be that we would be prepared to respect an agreement on the seven points communicated to the French. If there were such an agreement, we might sign with other countries a declaration that the countries involved would individually respect the agreement and would not use force to upset it. The Secretary does not want to push the British on item 3 at this time. Item 4, he thinks, will not come up in the first few meetings but at an appropriate time we would urge that the ANZUS Pact countries, Thailand, the Philippines, and probably France be invited to the talks.

Mr. Phleger outlined his rough draft treaty,[4] showing how it uses the pertinent language from the Rio Pact, the ANZUS Pact and the NATO Treaty. This will mean that the possible signatories to the treaty, with the exception of Thailand, will have signed similar language before, and that this would merely mean an extension of commitments they have already undertaken in other areas of the world.

There are, he said, a number of questions:

Area: He was thinking of Southeast Asia and Southwest Pacific. Should it be larger, and perhaps designed to include Pakistan at some time? (The draft treaty is open-ended.)

Parties: Who would participate besides the US, UK, France, New Zealand and Australia? The Secretary thinks it might be best not to name anyone as perhaps we can get in the Associated States and others.

Operative Provisions: He explained how and where the language was lifted, i.e., from ANZUS ". . . act to meet the common danger under respective constitutional processes", the idea of a Council from the Rio Pact. He explained that the treaty would be broad since councils of consultation could be called to discuss action taking place outside the immediate area which could nevertheless be a threat.

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[2] Ellipses in the source text.

[3] Reference is to the numbered paragraphs of the Agreed Minute of June 27, p. 580.

[4] Text of a draft of this date or earlier has not been found in Department of State files.

Duration: The Secretary was thinking of five years with a one year notice of withdrawal.

Mr. Phleger explained in some detail the subsidiary bodies which might be formed under the treaty. Admiral Davis suggested calling the "Defense Committee" the "Military Committee" and cited some of the experiences of the Working Group negotiating the NATO Treaty. [5] Mr. MacArthur pointed out that some of the difficulties encountered in preparing the NATO Treaty could be avoided this time.

General Smith entered at this point and the discussion was reviewed. He asked Mr. MacArthur to prepare a talking paper for the meeting the next day with the British, suggesting that he would like to table "a bit of paper" on perhaps what precisely we meant in the seven point reply to the French.[*] He agreed that Mr. Phleger's draft treaty was very good but wondered whether the negotiation for a multilateral treaty would consume months and whether we should therefore try for a declaration similar to the "Declaration of Common Intent" [6] handed to the British in April.

Mr. Phleger pointed out that a treaty was necessary to get some solid commitments and that a declaration was too easy to sign. The pattern of the treaty has precedent. General Smith thought it would be good to keep the Declaration idea in reserve in case things got bogged down.

In discussing the area the treaty would cover, Admiral Davis said the JCS would prefer that the whole problem in the Pacific be handled as one grand exercise and that India be kept out of everything.

The meeting closed with a discussion of the possibility of our return to Geneva when the Ministerial discussions resume. General Smith hopes to lay down the problem to the Congress and get bipartisan support for whatever we may be forced to do in the way of associating ourselves with the Indochina settlement.

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[5] For documentation on negotiation of this treaty, see *Foreign Relations*, 1948, vol. III, pp. 1 ff., and *ibid.*, 1949, vol. IV, pp. 1 ff.

[*] (Mr. MacArthur explained that Mr. Phleger's "working paper" would serve this purpose.) [Footnote in the source text. The reference is perhaps to a draft of Phleger's working paper of July 7, p. 609.]

[6] Printed in vol. XIII, Part 1, p. 1314.

S/S-NSC files, lot 63 D 351, NSC 5405

Memorandum for the Operations Coordinating Board Prepared in the Department of Defense [1]

TOP SECRET [WASHINGTON,] July 7, 1954.

Subject: An International Volunteer Air Group

1. In compliance with decisions made at the Operations Coordinating Board meeting of 28 April 1954, the attached plan which was developed by the Joint Chiefs of Staff is submitted for the consideration of the Board.

2. In the light of the Joint Chiefs' comments [2] and of the current situation in Southeast Asia, it is considered inadvisable to proceed with the formation of an International Volunteer Air Group until such time as an over-all national policy for Southeast Asia is formulated for the United States along the lines indicated in the State Department special report on NSC 5405.

3. It is considered that recent discussions with the British and recent changes in the French Government have so altered the situ-

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[1] This document is an attachment at tab III to a memorandum dated July 15 from Elmer B. Staats, Executive Officer of the OCB, to Lay of NSC. Staats' memorandum and its attachments are in turn attached to a covering memorandum dated July 19 from Gleason to the NSC.

The portion of Staats' memorandum which concerns the paper printed here follows:

"9. *The attention of the NSC is also invited* to the problem of an International Volunteer Air Group, which is somewhat separate from, but related to the questions raised above. In response to the NSC requirement formulated in connection with IVAG at its 195th Meeting on May 6, 1954 (NSC Action No. 1106e), the OCB submits the plan attached as Tab 3 and recommends:

"a. That the plan be held for possible future use not only in Southeast Asia but in any part of the world where required.

"b. That the National Security Council consider the formation of an international Volunteer Air Group for utilization in Southeast Asia in light of the requirements therefor which might emerge from the context of the overall policy requirements in the area when formulated."

For pertinent extracts from the memorandum of discussion at the NSC meeting held May 6, see p. 452.

[2] At the request of the Secretary of Defense, the JCS had outlined a possible organization for an IVAG in the appendix to a memorandum to the Secretary dated June 16. In that memorandum, however, they specified a number of geographical, logistical, and operational difficulties which would affect any such program in Southeast Asia. They concluded:

"After consideration of all aspects concerning the establishment and utilization of an IVAG, the Joint Chiefs of Staff reiterate their previous position that the development of a volunteer air unit to operate in threatened areas of the world is impracticable and undesirable. Accordingly, detailed plans should not be developed at this time."

The JCS then distinguished the idea of an IVAG from a proposal, which they had supported, for the international recruitment of volunteers as maintenance personnel and aircrew to augment the French Air Force in Indochina. (JCS records, CCS 092 Asia (6-25-48)) ation in this area that previous recommendations to form the International Volunteer Air Group without delay should be reconsidered.

4. It is therefore recommended that the Operations Coordinating Board respond to the NSC requirement formulated in this connection at its 195th meeting on 6 May 1954 by submitting the enclosed plan and recommending action as follows:

a. That the plan be held for possible future use not only in Southeast Asia, but in any part of the world where required.
b. That the National Security Council consider the formation of an International Volunteer Air Group for utilization in Southeast Asia in light of the requirements therefor which might emerge from the context of the over-all policy requirements in the area when formulated.

Appendix

DETAILED ORGANIZATION AND COST ESTIMATE OF AN IVAG

SECTION I—MISSION

1. The IVAG would have as its mission:

a. Establish and maintain air superiority in its area of operations.
b. Attack upon hostile air installations, LOCs and supply concentrations.
c. Tactical support of friendly ground troops.

SECTION II—COMPOSITION

2. The IVAG, in order to have a minimum balanced capability to carry out the above mission, should be composed of:

a. Three fighter squadrons (75 F–86F a/c).
b. One light bombardment squadron (25 B–26 a/c).
c. Two transport squadrons (32 C–119 a/c).
d. One composite photo reconnaissance squadron (12 RF–80 and 6 RB–26 a/c).
e. One AC&W squadron.

3. The internal support echelon should consist of the Group Headquarters including the following:

a. Command and Administration Section.
b. Air Base Support Section.
c. Medical Section.
d. Supply and Maintenance Section.
e. Communications Section (less radar).
f. Motor Transport Section (less chauffeurs).
g. Meteorological Section.
h. Air Control Parties.

SECTION III—COST ESTIMATE

4. A broad estimate of the cost, in millions, of organizing, equipping, and operating the proposed IVAG is $161.1 for the initial outlay of material, equipment and construction, plus $59.4 per year for peacetime operations, or $124.7 per year for wartime operations. This estimate was developed for planning purposes only and should not be used for budgetary purposes since phasing, build-up, lead-time, and other factors influencing budget estimates were not considered in the computations. For a detailed breakdown pertaining to above cost see the attached table.[3] The cost estimates were developed on the information and assumptons contained in the subsequent paragraphs.

[Here follows a detailed cost breakdown.]

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[3] Not printed.

Conference files, lot 60 D 627, CF 341

Working Paper Prepared for the United States-United Kingdom Joint Study Group by the Minister at the British Embassy (Scott) [1]

SECRET [WASHINGTON, July 7, 1954.]

JSG Memo 1

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[1] This paper, which is at tab 10 of the "Documentary History of US-UK Joint Study Group", was put forward by Scott at the first meeting of the Joint Study Group on July 7. It is attachment 3 to a covering note in which Draper wrote Scott had indicated that it was an informal working paper and "did not represent an official UK position."

The US-UK Joint Study Group on Southeast Asia was established after Churchill's and Eden's visit to Washington June 25-29.

The first meeting of the Joint Study Group was largely devoted to questions of procedure and to discussion of the Geneva Conference negotiations. An excerpt from the minutes concerning this paper, and that *infra*, follows:

"Sir Robert at this point produced another document (JSG Memo 1) regarding the points to be covered in a collective security arrangement (organization) for Southeast Asia. In discussing this document Sir Robert mentioned that the Netherlands and Portugal presented a difficult problem since other prospective members in the area would be reluctant to see them admitted.

"The Under Secretary remarked that Australia would be desirous of having the Dutch admitted.

"Sir Robert said that in the end the existence of the Netherlands Union might provide the Dutch with a card of entry.

"After this UK document had been gone through the Under Secretary said that we have been thinking along the same lines but have not gone into as much detail. He followed up with remarks based on a second talking paper (see JSG Memo 2).

"Sir Robert remarked that the duration of a security arrangement offered a difficult point in that it might appear to freeze the *status quo* and to perpetuate colonialism.

Continued

COLLECTIVE SECURITY ARRANGEMENT IN SOUTH EAST ASIA

1. The following are among the main topics for consideration:

A. Operative Clauses
B. Membership
C. Structure
D. Relation to an Indo China Settlement
E. Relation to other Defense Treaties affecting the Area
F. Negotiation and Timing
G. Concurrent Action

A. OPERATIVE CLAUSES

2. These might be considered under three headings:

(a) contingency to be guarded against;
(b) the area to which the commitment applies;
(c) the nature of the commitment.

3. In regard to 2(a) the danger is of overt military aggression by China or the Vietminh; but there is also (   )[2] the danger of internal subversion. It may be desirable to split the operative clause into two parts to cover these different risks.

4. In regard to 2(b) the commitment should cover such territories of the signatories as lie within the area of the Treaty. In addition it may be desirable to cover territories of states in Indo China which are not parties to the treaty, since the terms of a settlement in Indo China may preclude some or all of the Associated States from themselves joining the treaty.

5. Finally, the desirability or otherwise of covering other countries in the area (e.g. Burma) should be considered.

6. In regard to 2(c) the nature of the commitment in the event of armed aggression could take one of several forms, from the principle that "an attack on one is an attack on all" to a promise "to concert action to meet the common danger". The terms of reference of the Study Group [3] provide an indication of what is required.

7. In regard to 2(c), the nature of the commitment in the event of Communist infiltration and subversion, short of open aggression, the commitment should be so drafted as to avoid charges of interference in the internal affairs of a signatory state and equally to

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"The Under Secretary said that the basic points of a security arrangement (organization) were covered in both papers. The UK and the US see the problem alike. Our job now is one of coordinated drafting. (The Under Secretary gave a copy of his talking paper on a collective security pact to Sir Robert.) He asked for an opportunity to study the UK documents." (Minutes of meeting by Sturm; Conference files, lot 60 D 627, CF 341, "Documentary History", tab 14, JSG MC-1)

The date given in the heading is that of the covering note; the paper was drafted on July 5.

[2] Blank space with parentheses in the source text.

[3] That is, the Agreed Minute of June 27, p. 580.

avoid committing the signatories to action in the event of a non-Communist coup. Most of the new Asian states will hesitate to join an organization which appears to them to have supra-national attributes.

B. MEMBERSHIP

8. In addition to the United States, United Kingdom, Australia, and New Zealand, the following countries would be appropriate as members: France, Philippines, Thailand, India, Pakistan, Ceylon, Indonesia, and Burma.

9. The following countries would not be appropriate members of a collective security arrangement for South and South East Asia: Japan, Nationalist China and the Republic of Korea.

10. Possible membership by Laos, Cambodia and free Vietnam is also for consideration.

11. Possible membership by certain other countries is for discussion. Examples are the Netherlands and Portugal.

12. The possible association of certain territories with the collective security arrangement is for discussion. Examples are Hong Kong, Macao, Portuguese Timor, Netherlands New Guinea, United States Dependent Territories in the South Pacific.

C. STRUCTURE

13. It is for consideration whether there should be standing machinery set up under the Treaty, and if so whether this should take the form of a permanent Committee of political or military representatives of signatories, or both. The composition of the permanent staff to be employed for these purposes is also for discussion.

14. Much will depend on the degree of urgency of the military situation in Indo China. If there is an agreed settlement there, with declarations from many countries that they will respect it, and if the Allies are confident that there is no immediate risk of a resumption of fighting in Indo China, there will be less need for the formulation of immediate plans to meet aggression and there will be more time to achieve the important aim of associating the Colombo powers with the defence of South East Asia. These countries may be more willing to participate in an arrangement for collective defence if participation does not commit them to accept a ready-made structure of political and military planning.

15. If on the other hand the military situation in Indo China continues to deteriorate despite or in the absence of a settlement, and if there is a prospect of sweeping Communist military gains and of a French military disaster, urgent consultation on military plans between the Allies will be required. There are several possibilities. We might press forward with the permanent arrangement

for collective defence in South East Asia, so that action, if it has to be taken, could be taken under its auspices. If this is done it may be necessary to aim at a two-tiered structure, allowing countries other than founder members either to adhere or to associate themselves later with the Collective Security Arrangement, without necessarily accepting all the commitments accepted by its founders. Another possibility is a special *ad hoc* arrangement to meet the immediate threat, proceeding independently with plans for a permanent arrangement comprising as many as possible of the countries listed in paragraph 8 above.

16. In any case it is probable that some form of military planning board will be needed. In this connection it will be necessary to keep security considerations in mind, and the difficulty of coordinating intelligence and of military planning in a forum in which all signatories are represented.

17. The Treaty will presumably be a Regional Arrangement within the meaning of Chapter VIII of the Charter of the United Nations. The structure of the organisation should be designed to meet the requirements of Chapter VIII.

18. The terms of reference of the Study Group also refer to machinery "for assisting the lawful governments to resist Communist infiltration and subversion". It is for consideration whether this will entail standing machinery for the provision of economic and other forms of aid to these Governments.

D. RELATION TO A SETTLEMENT IN INDO CHINA

19. Laos, Cambodia, and free Vietnam may not (under the terms of an Indo China settlement) be free to join the proposed collective defence arrangement. The Treaty could however still give them protection against external Communist aggression, and assistance against Communist infiltration and subversion. The wording of references in the Collective Defence Treaty to these three countries will have to be considered very carefully, not only so that the extent of commitments is known, but because of the bearing of those references on the Indo China settlement and on the readiness of other countries to sign a Declaration of Association with the terms of an Indo China settlement.

E. RELATION WITH OTHER DEFENCE TREATIES

20. The relation between the commitments in the proposed collective security arrangement and those in existing defence treaties is for examination, and similarly the relation between machinery set up under them for consultative and planning purposes.

F. NEGOTIATION AND TIMING

21. The Study Group should consider and agree upon extent and timing of consultation with other countries, apart from Australia and New Zealand who, it is assumed, will be kept fully informed.

22. The progress of the French negotiations on Indo China, and developments there, will closely affect the negotiation and timing of a Collective Security arrangement for South East Asia among the noncommunist powers.

G. CONCURRENT ACTION

23. While the treaty is under negotiation it may be desirable to negotiate concurrently on other matters affecting the security of South East Asia, such as the provision of military training facilities and material, or the provision of bases in the area.

Conference files, lot 60 D 627, CF 341

Working Paper Prepared for the United States–United Kingdom Joint Study Group by the Legal Adviser of the Department of State (Phleger) [1]

TOP SECRET [WASHINGTON,] July 7, 1954.

JSG Memo 2

WORKING PAPER ON COLLECTIVE SECURITY PACT

[Here follows numbered paragraph 1, a résumé of the Agreed Minute of June 27, page 580.]

2. Preliminary to drafting the Pact, the following facts should be determined:

a. *United Nations*

Appropriate provisions affirming faith in Purposes and Principles of the Charter of the United Nations and providing for compliance with applicable provisions;

b. *Area to be covered*

Southeast and/or South Asia, according to the parties joining the Pact;
geographical description

c. *Parties*

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[1] This document is at tab 11 of the group of papers titled "Documentary History of US-UK Joint Study Group". It is attached to a covering note in which Draper states that it was "tabled as an informal and unofficial working paper in the first meeting of the joint Study Group July 7."

Initial parties should be named;
additional parties to be admitted by unanimous consent;

d. *States to be defended in addition to the parties*

Laos, Cambodia, part of Vietnam to be defended if they are not parties to the Pact;
other states to be defended although not initially members of the Pact;

e. *Obligations of parties*

Armed attack in the Area on the parties, or on States covered in addition to the parties, to be recognized as dangerous to the peace and safety of each of the parties, committing them to take such action, in accordance with their constitutional processes as is deemed necessary, including the use of armed force; and
to consult and cooperate to assist the lawful governments defended by the Pact to resist Communist infiltration and subversion.

f. *Organization*

A Council, consisting of a representative of each of the parties, shall be formed to implement the Pact and to concert action thereunder. It shall meet at any time on request of a party, and shall set up all necessary subsidiary bodies;

g. *Duration*

Indefinite duration subject to withdrawal by a party on one year's notice.

Conference files, lot 60 D 627, CF 341

United States Minutes of the Second Meeting of the Joint United States-United Kingdom Study Group [1]

[Extract] [2]

SECRET [WASHINGTON,] July 8, 1954—4-5:30 p.m.
JSG MC-2

[Participants:]

UK	*US*
Sir Robert H. Scott	The Under Secretary
Mr. M.G.L. Joy	Mr. Herman Phleger

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[1] Drafted by Tyler. This document, which is at tab 14 of the "Documentary History", is attached to a covering note dated July 9 by Draper, not printed.
British participants previously unidentified include: M. G. L. Joy, First Secretary at the British Embassy, and F. R. MacGinnis, Second Secretary at the British Embassy.

[2] The omitted section of these minutes includes discussion of an Indochina settlement.

Mr. F.R. MacGinnis
Lt. Col. R.G.V. Fitz-
George Balfour

Admiral Davis
Mr. Douglas MacArthur II
Mr. C. C. Stelle
Mr. E.A. Gullion
Mr. P.J. Sturm
Mr. W.R. Tyler

. . . .

General Smith then discussed the UK draft on a collective security arrangement. He said it was a very good paper and that it covered the essential problems under consideration. With regard to membership, General Smith said that it would create a very serious problem for the US if the British have in mind issuing formal invitations to the Colombo powers and excluding Japan, Nationalist China and Korea. However, provided there is no formal invitation to India or the other Colombo powers, unless they indicate a desire to adhere, and provided that the terms of membership would not be exclusive with regard either to the Colombo powers of Nationalist China, Japan and ROK, there would be no great problem. We presume that while the Netherlands and Portugal would not be included initially but that the terms of the treaty would leave the door open for later entry if this seemed desirable [*sic*].

With respect to the possible association of certain colonial territories to that arrangement, there might be difficulties, e.g.: the provision for protecting Hong Kong in a treaty from which Nationalist China is excluded would raise a problem for us. Initially at least it would be better not to include colonial possessions in such a treaty.

The discussion then turned to the question of the structure of the organization. General Smith said that we hadn't really gone into this. We feel the thing is to get the permanent treaty set up and that the structure should be considered by a temporary committee or council which would act as a kind of staff group both for the political and the military aspects of the structure.

Turning to the question of consultation with key potential members, General Smith said that the US would want to call a "Deputies ANZUS meeting". Sir Robert Scott said that London would not be happy about this and would greatly prefer that the US should just inform the Australians and New Zealanders. General Smith said that we have [a] little problem here that these two countries were very anxious that ANZUS should not be submerged in the collective security arrangement. Sir Robert Scott said he was afraid that if a hard-core ANZUS inner group were maintained within the collective security arrangement, this would not be well received in London. General Smith said that we would handle the matter in such a way as to keep Australia and New Zealand happy as members of ANZUS without overstressing this aspect.[3]

Sir Robert Scott felt that France should be informed very soon in order that Mendes-France's position should be given as much support as possible. He suggested that the French Government might be informed by our Ambassadors in Paris. The question of informing France and where, was left open until the next meeting. It was agreed that Canada should be informed with the hope that she might adhere to the collective security arrangement.

There will be no meeting on Friday, July 9. The next meeting will be on Saturday, July 10, at 10:30 A.M.

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[3] The Under Secretary briefed Munro and Spender, and other officials of the two countries, at a meeting held July 9. A section of Tyler's memorandum of this conversation follows:

"The Australian Ambassador asked if, in our talks with the UK, we had sensed a difference in the UK attitude toward timing with regard to setting up a collective security organization if there were an acceptable settlement. The Under Secretary said that it did seem that the UK feels that there is less urgency than we do. Our position is that no effort must be spared to set up a collective security arrangement now. He referred to the possibility of a declaration of common intent to be used in the event of emergency. The Under Secretary said that Sir Robert Scott seemed to be in agreement with us on the question of timing, but it is not so sure whether London would be.

"At this point both the Australian and New Zealand Ambassadors said that the whole matter was one of the greatest urgency. They said they were uneasy with regard to the British position so far as timing is concerned. They asked when we would be ready with the actual draft of a treaty and expressed their fear that the UK would delay matters in negotiation. The Australian Ambassador said he thought a declaration of common intent should be ready by the 20th, and feared the UK would hold things up by insisting on consulting with India. Neither he nor the New Zealand Ambassador thought that either India or Burma would be brought any nearer to joining a collective security organization by the issuance of a declaration on the Indochina settlement, if there were one." (Conference files, lot 60 D 627, CF 341, "Documentary History", tab 20)

Also on July 9, Ambassador Spender gave the Under Secretary a memorandum representing the views of the Australian Government on an Indochina agreement and on SEATO (JSG Memo 6) and a draft (of a Southeast Asia defense treaty) which he represented as containing his personal views (JSG Memo 7) (*ibid.*, tabs 18 and 19, respectively).

Secretary's Memoranda of Conversation, lot 64 D 199

Memorandum of Conversation, by the Officer in Charge of Thai and Malayan Affairs (Landon)

SECRET [WASHINGTON,] July 9, 1954.

Subject: Defense Arrangements for Thailand.

Participants: The Secretary
His Excellency Pote Sarasin, Ambassador of Thailand
Kenneth P. Landon—PSA

The Thai Ambassador called at the invitation of the Secretary who referred to the discussions recently held at Washington with Sir Winston Churchill and Anthony Eden in regard to collective defense arrangements for Southeast Asia. The Secretary explained that a working committee had been established consisting of U.K. and U.S. officials who have been discussing the pattern and nature of possible collective defense arrangements. He indicated that some progress had been made already and that it was desired to keep the Thai Government fully informed in order to take advantage of any Thai views on the subject.[1] The Secretary described a line across northern Thailand including perhaps Laos, Cambodia and most of Vietnam which the interested nations would guarantee against foreign aggression and would assist against subversion.[2] He said that the possibility exists that France, Laos, Cambodia [3] and Vietnam, as a result of agreements being reached at Geneva, might not be able to participate as active members in a collective defense arrangement but would be neutral. Nevertheless, those areas of the Associated States remaining in the free world could be included in the plans of the other concerned nations.

The Secretary indicated that the initial group of nations might consist of Thailand, the Philippines, the United States, the U.K., France, Australia and New Zealand.

[Here follows the remainder of this memorandum scheduled for publication in the compilation on Indonesia in Part 2.]

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[1] Documents in file 790.5 for July 1954 indicate that the Thai and Philippine Governments received copies of the draft security treaty of July 9 on July 14; see p. 686.

[2] The Secretary had previously described such a line to Prince Wan in a conversation held July 1. "The Secretary said the general idea was that it would be desirable to draw a line in Southeast Asia which might include Burma, Thailand, Laos, Cambodia and perhaps part of Vietnam which the interested nations would agree to protect against Communist aggression, agreeing that in case of such aggression they would oppose it by military force where it occurred as well as at its source. The Secretary added that since the week-end discussions [the Churchill-Eden visit] he had already discussed the general plan with representatives of Australia and New Zealand who were agreeable in general with the proposed line." (Memorandum of conversation by Landon, drafted July 2; 790.00/7-154)

[3] In a conversation held July 2, Nong Kimny, Ambassador of Cambodia, had informed Drumright that Cambodia desired to participate in a Southeast Asian defense organization. (Memorandum of conversation by Day; 790.5/7-254)

Secretary's Memoranda of Conversation, lot 64 D 199

Memorandum of Conversation, Prepared in the Department of State [1]

SECRET [WASHINGTON,] July 9, 1954—4:30-5:20 p. m.

Participants: [Mr. Dulles]
Mr. Phleger
Mr. MacArthur
Admiral Davis
Mr. Bonbright
Mr. Tyler
Mr. Stelle
Mr. Gullion
Mr. Sturm
Mr. Galloway
Mr. Draper

1. The Secretary reviewed the draft Southeast Asian Collective Security Pact prepared at an earlier meeting (in which the Secretary was not present) and, with minor changes, agreed that it could be tabled as an informal and unofficial working draft at the next US-UK working group meeting Saturday, July 10.[2]

2. The Secretary and participants were unsuccessful in defining the precise geographical limits to be encompassed by the terms of the treaty. It was agreed that the terminology in sub-paragraph 1 of Article III "In the area of Southeast Asia and the Southwestern Pacific . . ." would be worked out in the meetings with the British.

(a) the other participants had earlier decided that a better phrase might be "Southeast Asia and the *Western* Pacific" since this would be practically limitless in scope and area, as the JCS seem to prefer. It was tentatively agreed in the earlier meeting that including Hong Kong within the all-inclusive phrase "Western Pacific", while somewhat disadvantageous to us now, might provide the opportunity within five years, for example, to bring in Japan, the ROK and Formosa, and of course all the countries on the South Asian littoral.

3. The Secretary was not particularly happy with the idea of including Hong Kong and attempted, with some difficulty, to draw a line along the preferred longitudes and latitudes which would

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[1] Of the participants listed below William J. Galloway was Special Assistant to MacArthur.

[2] The text of a U.S. working draft of a Southeast Asia security treaty, dated July 9, is included among the comparative drafts in SEAP D-2, "Draft Southeast Asia Collective Security Treaty", dated Aug. 2, p. 686.

"SEAP", standing for "Southeast Asia Pact" was the series indicator used to denote documents prepared and collected for the use of officials engaged in this project.

eliminate that British outpost. It was demonstrated, moreover, that areas such as New Caledonia, way out on the fringes of the hypothetical line, embrace a good many of the areas such as Portuguese Timor with which we have little if any concern.

4. In discussing the possible inclusion of France in this security arrangement the Secretary voiced his reluctance to allowing France to obstruct our present path. However the general consensus was that the exclusion of France would be self-defeating and that several hundred thousand French troops of Southeast Asia could still be counted a formidable force. Furthermore, unless the French Union disintegrates, the French will be obligated to protect their weaker partners (which of course is our intention as well).

Conference files, lot 60 D 627, CF 341: Circular telegram

The Secretary of State to Certain Diplomatic Offices [1]

SECRET WASHINGTON, July 10, 1954—3:09 p. m.

Circular 26. At July 10 meeting US-UK Study Group on Southeast Asia,[2] Under Secretary presented informal unofficial US working draft [3] of collective security treaty. UK rep Scott made few preliminary comments and inquiries but felt that draft in general covered major considerations UK had in mind. He will refer draft to UK Govt.

Question of timing on security pact came up for some discussion. US emphasized urgency it attached to conclusion security pact. UK rep linked timing to Geneva, explaining that if Geneva resulted in some sort of settlement which would produce some stability in Indochina, at least for time being, he believed UK would, in interest of getting as large initial membership as possible, make real effort to persuade some or all "Colombo Powers" to join collective security pact, which would probably take some time. If however Geneva produced no agreement, or left threatening situation in SEA, it might be desirable proceed immediately conclude security pact comprising lesser membership.

Possibility was mentioned by US of having certain nations (probably US, UK, France, Australia, New Zealand, Thailand, Philippines) make declaration of intent to conclude security pact, and actually establish *ad hoc* machinery to deal with any immediate adverse situation, if it should appear that security pact could not be brought into being quickly. UK rep favorably impressed and it was agreed consider this aspect further.[4]

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[1] Sent Tosec to the U.S. Delegation at Geneva and to Bangkok, Canberra, London, Manila, Paris, and Saigon.

[2] The U.S. Minutes of this meeting, drafted by Gullion, are attached to a covering note of July 19 by Walter Trulock of the Reports and Operations Staff, Executive Secretariat; neither printed. (Conference files, lot 60 D 627, CF 341, "Documentary History", tab 26)

[3] For text, see the comparative texts in SEAP D-2, Aug. 2, p. 686.

Next meeting July 13.

DULLES

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[4] In telegram 125 to Paris, July 10, 6:45 p. m., repeated Tosec to the U.S. Delegation at Geneva and to London and Saigon, the Department transmitted a very general outline of the Study Group's work for communication to the French Government. The proposed Declaration of Intent was not mentioned. (790.5/7-1054) The Minutes cited in footnote 2 above indicate that the British Government was planning to convey similar information to the French Government, and that it was at the request of the British side of the Joint Study Group that the Declaration of Intent was not mentioned to the French authorities at this time.

Conference files, lot 60 D 627, CF 341

United States Minutes of the Fourth Meeting of the Joint United States-United Kingdom Study Group [1]

[Extract]

SECRET [WASHINGTON,] July 13, 1954—11-12:30 p. m.

JSG MC-4

[Participants:]

UK	*US*
Sir Robert H. Scott	The Under Secretary
Mr. Dennis Holland, Legal Advisor, British Embassy	Admiral Davis
Maj. Gen. C. R. Price, C/S of British Joint Staff Mission	Mr. Sullivan
Lt. Col. R. G. V. FitzGeorge Balfour	Mr. C. C. Stelle
Mr. M. G. L. Joy	Mr. W. J. Galloway
Mr. F. R. MacGinnis	Mr. L. C. Meeker
	Mr. W. R. Tyler
	Mr. E. A. Gullion
	Mr. P. J. Sturm
	Mr. C. Van Hollen

Sir Robert Scott opened the meeting with reference to the draft treaty saying that since the Working Group cannot agree on a final text it might be advisable to put up a paper on the agreed purposes of the several articles of the treaty.

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[1] Drafted by Sturm, and attached to a covering note of July 16 by Walter Trulock of the Reports and Operations Staff. Both documents are at tab 31 of the "Documentary History".

Previously unidentified U.S. participant L.C. Meeker was Assistant Legal Adviser for UN Affairs.

The Under Secretary replied that that might be a helpful procedure but inquired why we should not push ahead with a draft of the treaty.

Sir Robert Scott replied that to complete a treaty would require a long time.

The Under Secretary asked whether the U.S. draft [2] was causing the British some trouble.

Sir Robert Scott replied that in a few points it is in fact giving the British trouble. In this connection the third paragraph of the preamble as drafted may raise in British minds the question of whether immediate independence for Malaya is intended. With regard to paragraph four, Sir Robert suggested that the wording was unfortunate and should be revised (the Under Secretary agreed with this comment). Sir Robert submitted an alternate version of paragraph five as follows: "Desiring to promote stability and well-being in the area of Southeast Asia and the Southwest Pacific, to strengthen the fabric of peace and to uphold the principles of democracy, individual liberty and the rule of law."

Sir Robert suggested that the words "and Communist subversion and infiltration" be deleted from Article II. He stated that the purpose of this suggestion was to render the treaty more attractive to the Colombo Powers.

The Under Secretary objected that the whole purpose of this effort is to define the dangers of Communist subversion and infiltration and to erect defenses against them.

Sir Robert suggested that it might be possible to find a euphemism for "Communist subversion and infiltration" such as "subversive activities directed from without."

The Under Secretary said that he liked the insertion proposed by the UK representative but asked why we should be coy about Communism. Nehru is rough on Communists in his own country and the President and Prime Minister in their recent public declarations did not shy from the word.

Mr. Stelle interjected that we would have very grave difficulty here with a revision along the lines suggested by the British.

The Under Secretary said he must refuse to delete the word "Communist." The purpose of the Study Group is to discover whether the words used by the respective principals mean the same thing. He added that he preferred to retain the present wording of article II.

Sir Robert Scott inquired whether we wish in fact to use the word "Communism" in the text of a treaty.

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[2] Dated July 9. See the comparative texts in SEAP D-2, Aug. 2, p. 686.

Sir Robert Scott continued by saying that in Article III he wished to propose the deletion of the words "on any of the Parties, or on any states or territory which the Parties by unanimous agreement so designate." He commented in this connection that he had in mind areas such as Burma which might not wish to be included under a protective umbrella and also the fact that the wording could permit the parties to designate an area in any part of the world.

The Under Secretary replied that the purpose of this wording was of course to provide protection to Laos and Cambodia and retained Vietnam without naming them. He suggested that after the words "or any states or territory" there be added the phrase "in that area."

Sir Robert Scott said that we could not contemplate action to protect a country without first having consulted with it. Perhaps Laos, Cambodia and retained Vietnam could be somehow covered by article V.

The Under Secretary suggested that a small joint drafting group get together to work over the text. He said that he was less worried than the UK appears to be by the prospect of other nations benefiting by any protective arrangements worked out.

Mr. Joy suggested that Article VIII of the NATO Treaty be worked into the text of the present treaty.

Sir Robert Scott said that the question of the duration of this treaty gave him some concern, but he added that we should not spend too much time on trying to perfect a draft at this stage since any documents submitted to the respective governments would be labeled "a preliminary draft."

The Under Secretary said that in his view it was best to have the treaty of indefinite duration with the right of denunciation. He added that Sir Robert Scott's submission which incorporates a statement on the purposes of the treaty might be incorporated in the U.S. draft of the Study Group's report [to] the respective governments. With reference to the draft U.S. declaration on Indochina, the Under Secretary said that he preferred to leave the text as it stands for the moment owing to the Secretary's absence in Paris and the fact that our thinking at the moment is not final. With reference to a "Declaration of Intent" [3] to conclude a defensive pact in Southeast Asia, Sir Robert Scott inquired whether the declaration should be made in any case or only if there were no Geneva settlement or else a very bad Geneva settlement. His own thought was that there would be no immediate need for military action if a settlement had been made at Geneva.

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[3] A U.S. draft "Declaration on Southeast Asia and the Southwestern Pacific", tabled at this meeting, is identical to that printed as Annex C to the Joint Study Group's Final Report dated July 17, p. 641.

The Under Secretary replied that Western prestige in the area would be at a low ebb regardless of what comes out of Geneva and that a declaration of this sort might go a long way toward overcoming the handicaps we will inevitably face in the area. Even if there is no military crisis there is bound to be a political crisis of sorts among those whom we would hope to enlist in a defensive arrangement. Moreover, the negotiation of a treaty may require a very long time especially if India and others of the Colombo Powers are to be associated with it. If there is no really acceptable Geneva settlement a Declaration of Intent becomes imperative. New Zealand has suggested that we issue such a declaration even before the conclusion of the Geneva Conference. We would favor such a move but probably the UK would not.

Sir Robert Scott suggested that the draft declaration might be issued without Article II if there is a respectable Geneva settlement. He added that London may not want any declaration at all if there is a settlement.

The Under Secretary said that this would be acceptable if the British were prepared to press for the conclusion of a defence treaty.

Sir Robert Scott replied that the British attitude will depend upon the situation as it actually is at the time.

The Under Secretary said that if the UK is determined to win over India to this concept the whole proceedings may occupy many months.

Sir Robert Scott said that they certainly would make an effort to win over India but would not hold up for that purpose.

The Under Secretary said that Australia and New Zealand will be anxious to press on as are we and our friends in Southeast Asia. He added that whatever the Geneva settlement may be it will be more acceptable to the UK than to the US, Australia, New Zealand, Thailand or the Philippines. He added that the Working Group report to the Governments could note disagreement on specific points.

Sir Robert Scott made it clear that the British would not want the scope of the treaty extended except as new members might be admitted to the organization. He said that as far as possible he wished definitions to be positive rather than negative. He did not exclude the possibility of the pact's growing, developing and embracing other areas.

With reference to Item 3B of the terms of reference Sir Robert said that we had not yet considered what we should do about Laos, Cambodia and retained Vietnam in the event that there is no agreement on Indochina. He had therefore and was submitting a draft (which appears as a separate document in this series).[4]

The Under Secretary said that our view in the contingency mentioned is that we should press ahead as fast as possible. It is still conceivable, he remarked, that a French government might fulfill the conditions stipulated by this government and request US military intervention. He added that the British themselves might be willing to participate in a rescue operation in Indochina.

Sir Robert Scott indicated that British troops would not be used in Indochina for any other purpose than a rescue operation.

A small drafting group will meet July 14 at 10 a. m.[5] The next full session is scheduled for July 15 at 11 a. m.[6]

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[4] The "UK Informal Draft Reports on Items II and III (b) of Terms of Reference". (Conference files, lot 60 D 627, CF 341, "Documentary History", tab 30)

[5] Minutes of this meeting have not been found in Department of State files.

[6] In circular telegram 35, July 13, 7:17 p. m., sent to Bangkok, Canberra, Geneva, London, Manila, Paris, and Saigon, the Department summarized this meeting and commented: "Attitudes 'Colombo powers' obviously giving UK serious preoccupation. Believe UK may attempt bring Colombo powers along with collective security arrangement whatever form it takes and may be tempted 'water down' its provisions to secure acquiescence Colombo powers." (Conference files, lot 60 D 627, CF 341)

790.5/7–1554: Telegram

The Ambassador in Australia (Peaslee) to the Department of State

SECRET CANBERRA, July 15, 1954—4 p. m.

25. Casey, in conference which he requested this morning, reviewed generally SEA matters with following principal points.

First: Casey "one of those optimistic about usefulness of Geneva", principally the bringing together of rival military leaders. Casey has instructed McIntyre from London to proceed Geneva as observer.

Second: External Affairs cabled its missions fourteenth External Affairs suggestions respecting American draft SEATO Treaty [1] including:

(a) Eliminating last five words in Article II and striking out in Article II, sub-division 2, the words "affected by an aggression which is not an armed attack or by any other factor situation which might endanger the peace of the area, the parties", and substituting the words "threatened in any way other than by armed aggression".

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[1] Reference is to the draft of July 9. See the comparative texts in SEAP D-2, Aug. 2, p. 686.

(b) Adding a new clause reading substantially that the treaty does not authorize sending foreign forces to a country without the country's consent. (I asked what would be the definition of "foreign" and the definition of "country's" without much enlightenment.)

(c) A recommendation to insert a permissive clause dealing with economic and Point IV assistance.

Third: Australia has not been supplied with text of British "draft declaration of association with the terms of an agreement on Indochina" mentioned your circular 16 July 8,[2] nor did Australia know that such actual draft had been submitted. Casey said he favors in principle, however, a joint declaration supporting settlement, if settlement reached, and which would include signature Communist China. I inquired whether Australian willingness would be affected by almost certain US unwillingness and inevitable public interpretation of joint signatures. Casey said Australian attitude toward joint declaration would be seriously affected. Then referred to possible effort for commonwealth joint declaration which he said Dulles has also mentioned, and possibly paralleling individual or group declarations.

Fourth: Casey confirmed Australia considers immediate SEATO Treaty urgent. Envisages members as UK, US, Australia, New Zealand, France, Philippines, Thailand, with possibility Pakistan,[3] regarding which he urged further exploration. Also suggested provision for accession later of others.

PEASLEE

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[2] Not printed.

[3] Enclosed with despatch 20 from Canberra, July 16, is a memorandum of the conversation summarized in telegram 25. The memorandum reads in part: " [Casey] also mentioned his belief that too little attention had been paid to the possibility of bringing Pakistan into this regional organization; he had had, for instance, a recent conversation with Sir Zafrullah Khan, the Pakistan Ambassador in Washington, in which Sir Zafrullah had implied an interest in SEATO; if the Pakistanis could be persuaded to adhere to the SEATO organization, Mr. Casey felt that this might strengthen it and could conceivably influence other more 'neutralist' countries to take a more active interest in collective defense." (790.5/7-1654)

790.5/7-1554

Memorandum by the Counselor of the Department of State (MacArthur) to the Secretary of State

SECRET [WASHINGTON,] July 15, 1954.

MR. SECRETARY: Tomorrow morning at 11, I will meet with Rob Scott to work out the final report of the US-UK Study Group on Southeast Asia. Today we discussed the unilateral US declaration and the draft declaration of intent. We also discussed paragraph 15 of the first draft of the final report,[1] the consensus being this should be beefed up in the sense that it is imperative to proceed with the issuance of the declaration of intent and the establishment of ad hoc machinery for collective defense at the earliest possible time. I also intend to do my utmost to get common language indicating that it is equally important to get a working group going of the countries which will join in Southeast Asia collective defense even if there is agreement at Geneva. If the British will not agree to such language (and I am informed by reliable American correspondents that Mr. Eden told British correspondents when he was here for the Churchill visit that it would probably take about 18 months to work out a SEATO), I will, subject to your approval, at least insert a statement of the US position in this respect.

I attach the first draft of the final Working Group report, together with the draft text of the proposed treaty.[2] It would be of greatest help to me if you could read these over this evening or early tomorrow morning and mark them up and let me have your comments prior to the 11 a. m. meeting with Rob Scott tomorrow.[3]

DOUGLAS MACARTHUR II

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[1] Apparent reference to the first joint draft report (JSG Memo 10/1) dated July 14, rather than to a U.S. draft dated July 12, tabled at the Fourth Joint Study Group Meeting held July 13 (JSG Memo 10), neither printed. (Conference files, lot 60 D 627, CF 341, "Documentary History", tabs 32 and 27, respectively)

Paragraph 15 of the first-mentioned document follows: "The Group agreed that the failure of negotiations at Geneva would lend greater urgency to the requirement for a Declaration of Intent and the formation of *ad hoc* machinery by the potential founding members of a security pact."

[2] Neither found attached. The U.S. draft mentioned, not printed, is Annex B to JSG Memo 10/1.

[3] This memorandum bears a notation by O'Connor stating that Dulles had seen it. However, record of comment by the Secretary in response to it has not been found in Department of State files.

Conference files, lot 60 D 629, CF 341

United States Minutes of the Fifth Meeting of the Joint United States-United Kingdom Study Group [1]

SECRET [WASHINGTON,] July 16, 1954—11–12:30 p. m.

JSG MC–5

[Participants:]

UK	*US*
Sir Robert H. Scott	*State*
Mr. M. G. L. Joy	The Under Secretary (Part of the Time)
Mr. D. T. Holland	

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[1] Drafted by Tyler, and attached to a covering note of July 20 by Trulock. Both documents are at tab 41 of the "Documentary History".

Mr. F. R. MacGinnis
Major General C. R. Price
Lt. Col. R. G. V. FitzGeorge
Balfour

Mr. Douglas MacArthur
(Chairman)
Mr. C. C. Stelle
Mr. L. C. Meeker
Mr. W. J. Galloway
Mr. E. Gullion
Mr. P. J. Sturm
Mr. W. R. Tyler

Defense
Admiral Davis
Mr. Charles Sullivan

Mr. MacArthur opened the meeting by addressing himself to the UK comments on the draft outline report dated July 14 prepared by the Study Group.[2]

He said that these comments raised certain fundamental points with regard to the task of the Study Group.

It had been hoped that a report would be submitted of commonly agreed recommendations by the Group, which would at the same time bring out clearly any differences between the UK and US points of view. It was important that the differences should be specified and not be disguised by ambiguous language open to subsequent differences of interpretation. However in the light of the latest UK comments, it seemed that there might no longer be a basis for attempting to submit an agreed report. For example, the UK proposal indicated that the proposed Annexes[3] are not to be recommended jointly as a basis for further development, but are simply to be listed as US documents. At the same time paragraph 21 of the UK comments would debar the US from presenting its own views and position as set out in these US drafts to our friends and allies and discussing these matters with them. We considered this unacceptable. We believed therefore that there might be no useful purpose served by submitting annexes which would really be only US versions watered down by UK modifications. Aside from those considerations, Mr. MacArthur said that the US was now withdrawing the draft US declaration on an Indochina agreement (Annex A) since this text was under consideration by the Secretary of State personally and it would doubtless be subjected to further US changes.

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[2] British comments on this report have not been found in Department of State files.

[3] Besides Annex B, identified in footnote 2, *supra*, JSG Memo 10/1 had, at Annex A, a U.S. "Draft Declaration on Indochina", and, at Annex C, a copy of the U.S. "Draft Declaration on Southeast Asia and the Southwestern Pacific".

Mr. MacArthur mentioned the significance of the amendment by the Congress to the appropriation for Southeast Asia of $800 million to the effect that no Locarno-type declaration should be concluded, and that none of the funds appropriated could be used for any country that signed an agreement which would maintain the territorial integrity of any Communist regimes over the peoples they had captured and thus guarantee the fruits of their aggression.[4] The position taken by the Congress in this matter had a direct bearing on the type of declaration or agreement which should be made with regard to Southeast Asia.

(General Smith arrived at this point; Mr. MacArthur went over briefly the substance of his remarks.)

Sir Robert Scott said he felt there had been misunderstanding on the US side concerning the question of consultation. The UK position was that consultation of each side with its friends and allies was natural and in order. This, however, did not mean that papers should be passed out to other countries, which would probably receive fairly wide circulation, as though they were agreed joint papers. He felt this would be dangerous and give rise to misunderstanding. He proposed an amendment to the UK paragraph 21, which would specify that copies of joint documents should not be communicated to other powers except after prior agreement.

Turning to the major point made by Mr. MacArthur, Sir Robert Scott apologized if what he was about to say seemed in any way offensive or rude. He said that in his view the UK paper did not change the character of the task of the Study Group. He stated that he felt that the real nature of the Communist danger in Asia was not appreciated by the US. He said that the proposed collective security arrangement for Southeast Asia was not the same kind of exercise as the NATO or ANZUS Treaties. These were primarily military, whereas the proposed Southeast Asia pact was essentially an important move in the cold war whereby certain important Asian non-Communist countries might be persuaded to engage their interests in a common endeavor with the West in the task of blocking further Communist expansion. It was not, he said, a question of getting as many countries together as possible in order to fight the Communists. If this were the problem, we would get all the countries already committed to the Western side together. This however would not bring the other Asian countries who are as yet uncommitted, and are nervous and often suspicious of the West, any nearer to us.

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[4] The pertinent paragraph of the Mutual Security Act of 1954, approved Aug. 26, 1954, reads as follows: "It is the sense of Congress that no part of the funds appropriated under this section shall be used on behalf of governments which are committed by treaty to maintain Communist rule over any defined territory of Asia." (68 Stat. 837)

Sir Robert Scott went on to say that the primary task before us in Asia was to block the Communists so as to keep India and Japan out of their hands. A second task of a more immediate nature was to take measures which would halt Communist expansion beyond the point it had already reached in Indochina, after the Geneva Conference. A third task, which must be undertaken now, was to make preparations in the event of overt aggression by the Communists. It was essential, he said, to keep the long-term aim in mind: to find means of bringing in as many of the Colombo powers into the pact or into some form of association with the pact, as possible. He said that if we mishandled this exercise there would be a real danger that an Asiatic non-aggression pact proposed by the Communists would prove irresistibly tempting to the Asian countries.

General Smith said he wished first of all to reassure Sir Robert Scott about any "rudeness" in any US–UK discussion. He said it was essential that we speak frankly with each other and that this was one of the most valuable factors in discussions between our two countries. He said he was impressed by the wisdom of Sir Robert Scott's words. He felt that we do have the same appreciation of the danger and the objectives before us, though we seem to have different conceptions of tactics, timing, and approach to these problems. He mentioned an account of a press briefing which Mr. Eden had given in which he had mentioned the figure of perhaps 18 months for the conclusion of a Southeast Asia pact. General Smith thought that in the meantime we were faced with a situation which was not standing still and in which we ran the risk of losing the support of countries in the area who were willing to join in a collective defense arrangement. He felt the important thing was to put down the considerable area of agreement which existed and then to pinpoint the issues on which we were not agreed, and to state the differences factually and accurately. There was brief discussion of the possible role of Japan, the Republic of Korea and Formosa, and while it was made clear the US did not envisage them as founder members, General Smith said that we should not bar their possible eventual participation since Formosa and the ROK had a large number of trained men under arms whose contribution would be essential in a shooting war.

Sir Robert Scott then suggested that the Study Group rapidly prepare what might be called a preliminary interim report and which would be in effect an agreed statement of disagreements. He added that he felt that the situation with regard to Indochina suffered from the West having made the same mistake with regard to

Indochina as had been made in Korea, i.e.: to treat the local peoples as though they were pawns. He felt that the negotiations had been conducted as though the Vietnamese did not matter and that their opposition or their views would not have to be taken into consideration. He felt that this mistake might have severe repercussions and that Vietnam might be driven by desperation to prefer the unity of Indochina under the Vietminh to continued partition on the side of the West.

Mr. MacArthur said he thought the major difference between the US and the UK positions was with regard to timing. Sir Robert Scott said that this difference could be reconciled by further consideration of the issue. He said that it should not be forgotten that while Japan would be immediately affected by developments in Southeast Asia, the key countries for Japan, in terms of markets and sources of supply, are Burma and Indonesia. He said it was of the utmost importance to win the support or at least the concurrence of these two countries. He felt that the way in which the proposed Southeast Asia pact was presented to the Asian countries was of great importance. We should try to obtain participation wherever possible. Failing this, we should strive for some degree of association, and if this should fail we should obtain, where we could, acquiescence.

Mr. MacArthur asked what the British would feel with regard to the constitution right away of a working group of the seven countries (US, UK, France, Australia, New Zealand, Thailand, Philippines) in the event of a cease-fire at Geneva.

Sir Robert Scott said that he thought the first step should be to make a simple declaration of intent and to agree to invite the others to make similar declarations. This should be followed by preliminary soundings of other countries. Then the US and the UK must have a meeting of minds on the purposes and essential elements of the Southeast Asia pact and only then would it be desirable to set up the multilateral working party.

Mr. MacArthur recommended that the differences between the US and UK should be spelled out as soon and as clearly as possible, and Sir Robert Scott agreed and said that the report should go out this week end to Geneva.

The UK agreed to the US giving the French the draft text of a declaration of intent, and the US draft treaty text, on the understanding that these would be clearly presented as US working documents. There was some further discussion on procedures and putting down US and UK views on key points, and on whether to keep the annexes which had been considered by the Study Group as working documents or to include them in the report. A decision on these matters was postponed until later. It was agreed that the

US/UK drafting group would meet at 9 A.M. on Saturday, July 17,[5] and that a preliminary report by the Study Group would be sent out over the week end.

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[5] No minutes of this meeting have been found in Department of State files.

790.5/7-1654

Memorandum of Conversation, by the Director of the Office of British Commonwealth and Northern European Affairs (Raynor)

TOP SECRET [WASHINGTON,] July 16, 1954.

Subject: Southeast Asia.

Participants: Ambassador Leslie K. Munro, New Zealand Embassy
Mr. Hunter Wade, First Secretary, New Zealand Embassy
The Secretary
Mr. Raynor, Director, BNA

Ambassador Munro called on the Secretary this afternoon at his request. He was accompanied by Mr. Hunter Wade of the Embassy staff. He first inquired about the talks the Secretary had had in Paris.[1]

The Secretary said that he felt the results of the talks in Paris had been satisfactory. They had cleared away several points about which he had had doubts, specifically relating to (1) the apprehension that the French were planning a "sell-out", (2) a fear that if no settlement were reached the French would be inclined to blame this on the Americans and (3) the situation should the Communists indicate that they would offer a liberal settlement if the Americans would undertake to guarantee it. As to (1) above, the Secretary said he felt the French are in a mood to hold out for a decent settlement and if they do not obtain it they will continue to fight. As to (3), he pointed out that we are in no position to guarantee a settlement. The President does not have this authority and it would not be possible to gain sufficient Congressional support to enter into a guarantee. The Secretary said that the French were extremely anxious to reinforce any settlement reached with a declaration of intention to create a Southeast Asian Security Pact. They feel strongly, and we agree, that it is a serious question if any settlement will stand up unless it is so reinforced. The Secretary said that this is where we would probably have difficulty with the British who are preoccupied with the concept of bringing the Indians along with whatever is done and that will take more time than is available. The Secretary said he was favorably impressed by Mendes-France, especially by his sincerity, his determination and his direct approach to subjects, although obviously he was inexperienced in foreign affairs and tended to over-simplify things.

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[1] For documentation on the Secretary's trip to Paris, July 12-15, see vol. XIII, Part 2, pp. 1819 ff.

In response to Ambassador Munro's question as to whether we feel Mendes-France will be able to get a settlement, the Secretary said that he continued to talk strongly about getting a settlement by the 20th. As to whether he will succeed, the Secretary didn't know but he observed that his experience has been that deadlines have a way of slipping.

Ambassador Munro then handed to the Secretary a Talking Paper containing New Zealand views with respect to SEATO, which is attached.[2] The Ambassador said this had been prepared by the Department of External Affairs and had been approved by the Minister of External Affairs but that its main points are subject to Cabinet review. The Ambassador expressed concern with respect to the Secretary's observation about possible difficulties with the British.

The Secretary replied by reiterating the strong feeling the British have about associating the Colombo powers and especially India in this undertaking. He said we share the view that this is important, if it is possible, but we are worried over the risk of the delay which this would involve. Without a SEATO or almost immediately without a declaration of determination to create a SEATO, we are apprehensive that any settlement the French make may not be durable and that the result might be the loss of the whole area. The French share this apprehension. The Secretary said that economic assistance would also be needed promptly. He said the British seemed to feel that it is safe to wait for some undetermined period for Colombo states. We do not. We think that a declaration of intent will be necessary within a few days of reaching a settlement because the process of ratifying the treaty will take some time. We ourselves would be willing to sign a treaty quickly but we are willing to wait on this step for appropriate consultation with the Colombo powers provided the declaration of intent is signed and issued almost immediately. The Secretary said that such a declaration would not require Congressional approval here.

Ambassador Munro said that his Government was also anxious to include as many Asian members as possible and thought it might be especially important to associate Indonesia, Ceylon and Burma in the economic aspects of the treaty. He understood the

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[2] Not found attached. A text from another file is *infra*.

British shared this feeling. He added that New Zealand does not want Hong Kong included in the area of the treaty.

The Secretary said he thought this was correct and that if it should be included in the treaty area it would make the omission, for instance of Formosa and Japan, more noticeable and probably create Congressional problems for us.

Ambassador Munro stressed the importance his Government attached to covering aggression although he said his Government did not favor attempting to define aggression precisely. He said he would like the views of the United States on this question.

On leaving the Ambassador said he wanted to be certain the Secretary knew that his Prime Minister had informed Ambassador Scotten that New Zealand would be against the seating of the Communist Chinese in the Assembly this fall.

Conference files, lot 60 D 627, CF 341

The Embassy of New Zealand to the Department of State [1]

TOP SECRET

Talking Paper

New Zealand would probably be prepared to join with other prospective SEATO members in issuing the proposed "declaration of intent" if satisfactory terms are agreed. The Government would, however, regard United Kingdom participation in such a declaration as essential.

As the Minister of External Affairs pointed out in his speech of 6 July to the House of Representatives, New Zealand considers that the early establishment of SEATO should be pressed on as quickly as possible. It would seem however that the preparation of a satisfactory text and similar practical details would, in any case, make it impossible for the treaty to be formally concluded before settlement on Indo-China is reached—if such a settlement can, in fact, be reached. It is hoped therefore that the United Kingdom and American views on the timing of the treaty will not necessarily be too divergent.

As far as the composition of the proposed treaty organisation is concerned it is presumed that France will be prepared to play her part even if a settlement on Indo-China is achieved at Geneva; but the position on Laos and Cambodia is unlikely to be clarified until it is known whether the Communists will insist rigidly on neutralisation of the two countries as part of a general settlement. It is the New Zealand Government's hope that as many Asian countries as possible can be included in the proposed treaty organisation either now or later. Nevertheless New Zealand is prepared—not without reluctance—to take the risks inherent in proceeding with the present nucleus of interested countries.

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[1] Handed to the Secretary by the New Zealand Ambassador on July 16; see the memorandum of conversation, *supra*. The source text is attached to a covering note of the same date by Trulock (JSG Memo 12).

New Zealand is interested in the suggestion made by Mr. Dulles at the meeting of the ANZUS Council on 30 June [2] that Ceylon, Burma and Indonesia might be brought within the "economic aspects" of the treaty, although not actually enjoying full membership. They were interested also in the United Kingdom suggestion that Asian countries, while not full members of SEATO, might be "associated" with it in some way possibly under Article VII.

From both psychological and practical considerations New Zealand is somewhat concerned about the inclusion of colonial territories as such in the proposed treaty. They do not believe, in particular, that the treaty should cover French colonial possessions in India, although Malaya must obviously come within the scope of the treaty.

New Zealand is of the opinion that Hong Kong should not be included in the proposed treaty since it is not considered that Hong Kong is within the South East Asian area to which the present negotiations are related. New Zealand and other prospective members of SEATO have, of course, existing obligations towards Hong Kong, but there appears to be no reason why these should not be continued as a completely separate agreement. The Government are gratified to learn that as a result of the recent ANZUS meeting the United States authorities share their view that Japan, Formosa, and South Korea should be omitted.

The question of the best method of resisting infiltration and subversion, to which the countries of South East Asia are particularly vulnerable, has given New Zealand serious concern. We appreciate that the formula put forward by the United States in Article III (2) of the draft treaty,[3] based on the Rio Treaty provision, is intended primarily to demonstrate the parties' awareness of the seriousness of the problem of indirect aggression and their intention to resist it as strongly as open external attack.

New Zealand is not, however, enthusiastic about any specific formula or definition of indirect aggression and would wish to make clear its view that the action to be taken in relation to any particular development in South East Asia would require the most careful consideration of each case and a decision on the merits of the particular circumstances.

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[2] For U.S. Minutes of this meeting, see p. 588.

[3] Apparent reference to the draft of July 9. See the comparative texts in SEAP D-2 of Aug. 2, p. 686.

New Zealand has noticed for example that the study made by the recent Five-power Military Conference of "possible military measures that could be taken to provide for internal security in certain areas of South East Asia" [4] concluded that military measures by themselves were quite futile. Accordingly, while New Zealand would agree that increased military aid in the form of equipment and training facilities would be useful they consider also that the governments of South East Asian countries should be helped to strengthen their "grass roots" appeal by the offer of better material conditions through increased economic and technical assistance.

Finally New Zealand would wish to make it clear that resistance to indirect Communist aggression should not mean that SEATO members must regard any and every threat to the stability of the present regimes in South East Asia (for example, the present military regime in Thailand) as a Communist manoeuvre to be automatically resisted.

WASHINGTON, 16 July 1954.

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[4] The quotation is from Enclosure A, Annex 2 of the Conference Report, June 11, p. 560.

PSA files, lot 58 D 207 [1]

Report of the Joint United States-United Kingdom Study Group on Southeast Asia

SECRET

Terms of Reference

By agreed minute [2] of the meetings between the President and the Prime Minister a joint UK-US Study Group was established in Washington "to prepare agreed recommendations" with respect to Southeast Asia.

Meetings and Membership

The Study Group held its first meeting July 7, 1954. In all the group held six meetings, the closing meeting being held on July 17.[3] Chief US participants were General Walter Bedell Smith and

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[1] Certain files of the Office of Philippine and Southeast Asian Affairs for the years 1949-1955, containing primarily material on Indochina.

[2] Dated June 27, p. 580.

[3] No minutes of this meeting have been found in Department of State files.

Mr. Douglas MacArthur II. The chief UK participant was Mr. R.H. Scott.

Recommendations

Our recommendations are contained in the enclosed report to which are attached three annexes. The recommendations are submitted by the members of the Study Group without commitment on their respective Governments.

Publicity

The Group agreed that nothing should be said to the press about the work or the recommendations of the Group, and that the line should be taken that these meetings were technical and exploratory, without commitment on either side.

DOUGLAS MACARTHUR
R. W. SCOTT

WASHINGTON, July 17, 1954.

[Enclosure]

THE REPORT

ITEM I

[Here follows discussion of the potential terms of association with an Indochina agreement. For this section, see volume XIII, Part 2, page 1848.]

ITEM II

Terms of Reference:

[Here follows a repetition of numbered paragraph 2 of the Agreed Minute.]

7. a. *The study group agreed* that drafting a collective security treaty should be a matter for negotiation between all the founder members.

b. *The U.S. members* submitted an informal draft text of a collective security treaty for Southeast Asia and the Southwest Pacific, as an indication of U.S. thinking. (Annex A).[4] *The U.S. members* stated that they had also made this draft available to certain of the other potential founding members of a collective security arrangement.

c. *The United Kingdom members* made some preliminary comments on the American draft. The United Kingdom comments are given in Annex B. *The United Kingdom members* considered that it was premature to submit a text until clear agreement had been reached between the two Governments on the nature and purposes of the proposed treaty, and on the timing and negotiations with other Powers. They were therefore unable to associate themselves with the US members in submitting a text at this stage.

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[4] Identical to the draft dated July 9, p. 686.

8. *Main Features of a Collective Security Treaty*

The study group agreed on the main features of the proposed Treaty. These features are indicated in the following recommendations, which, however, do not attempt to use language suitable for inclusion in the Treaty.

a. *Purpose.* The purpose of the Treaty is to block the expansion of Communist influence in the general area of South and Southeast Asia and the Southwest Pacific. The Group recognized that this might take several forms: overt aggression; infiltration and subversion coupled with Communist assistance to armed rebellions or Communist interference in civil wars; or Communist infiltration and subversion without resort to violence. *The group agreed* that provision should be made in the Treaty against all these contingencies.

b. *Membership*

(1) The initial membership of the collective security treaty should include UK, US, Australia, New Zealand, France, Thailand and the Philippines and other Southeast Asian states (Burma and Indonesia) if they are willing. The initial membership could also include other states which, on the basis of informal consultations, indicated their desire to participate.

(2) Cambodia, Laos, and non-Communist Vietnam should be participants if the arrangements at Geneva should permit this.

(3) After entry into force of the treaty, invitations to other states to accede to the treaty, or to associate themselves with it, could be issued upon unanimous agreement of the parties to the treaty.

c. *Nature of the Commitment*

Each party should agree:

(1) To assist the lawful governments to maintain and develop their capacity to resist armed attack and Communist infiltration and subversion, through help in the military, police, intelligence, information, economic, technical, and other relevant fields.

(2) To consult together in order to agree on the measures which should be taken whenever in the opinion of one of the Parties the territorial integrity, political independence or security of one of the Parties, or the peace of the area, is endangered.

(3) In the event of overt Communist aggression in the area of the treaty, to take in accordance with its constitutional processes such action as it deems necessary including the use of armed force.

d. *Geographical Scope of the Commitment*

(1) The commitment in para c(3) above should cover:

(a) local territory of parties to the treaty in the general area of Southeast Asia and the Southwestern Pacific;

(b) Laos and Cambodia and non-Communist Vietnam whether or not they are parties to the treaty;

(2) Provision should be made to allow countries not participating in the treaty to be covered by agreement, by the commitment in para c(3) above.

(3) The treaty should permit later enlargement of its geographical scope.

e. *Organization*

The Treaty should contain no more than a simple and generalized description of a Council; precise organization should be left to discussion with other participating countries and to development by the Council. Among the subjects the Council should consider would be:

(1) establishment of such permanent machinery as might be needed;

(2) interim arrangements pending the completion of (1) above;

(3) arrangements for the association of countries not parties to the treaty with work of the organization.

f. *Duration*

The treaty should be of indefinite duration with the provision that any party may cease to be a party one year after notice of denunciation.

9. *Considerations Affecting Timing*

a. The group agreed that any agreements reached at Geneva would register a considerable gain for the Communist bloc in Southeast Asia. In the wake of such agreements there would be left an unstable situation in those areas of Indochina remaining free. At the same time those agreements would increase the tendency of the other non-Communist states in the area to accommodate themselves to the prospect of further Communist encroachment. These considerations underlined the necessity for urgent conclusion of collective security arrangements. The group also recognized the importance of securing the backing of the Colombo Powers in halting the expansion of Communist influence. The attitude of these Powers toward the collective security arrangement would be important. It would be desirable that these Powers should at least acquiesce in the establishment of such an arrangement.

b. *The UK members believed that strong efforts to secure the participation of the Colombo Powers in the collective security arrangement or at least their acquiesence in its formation should be made prior to the negotiation of the Treaty.* In the long run the general aim of blocking Communist expansion in the area will be governed by the support that can be obtained from the peoples and governments of the area. The UK, therefore, considered that immediate negotiation of a collective security arrangement prior to consultation with the Colombo Powers would prejudice the eventual attitude of the latter thus endangering the ultimate object of the treaty.

c. *The US members believed that explorations with the Colombo Powers should not delay the formation of a security arrangement for the area. The US members* recognized the possibility that speedy establishment by other countries of a collective security arrangement might engender temporary opposition on the part of some of the Colombo Powers; they believed, however, that in the long run the immediate creation of a strong defense against Communist expansion in Southeast Asia would lead to eventual cooperation by South Asian countries. *The US members* believed that the political emergency created by a Communist victory at Geneva should be met by immediate action to serve notice that Communist expansion in Asia had reached its limit. The US members believed that delay in the formation of a collective security agreement would probably result in a deterioration in the area of South and Southeast Asia which in the end could well render impossible the conclusion of any effective security arrangement, additional to the U.S. security arrangements with others in the area. The US members believed, therefore, that the collective security arrangement should be negotiated forthwith, with those nations now ready to proceed in the establishment of an effective collective defense system in the general area of the South and Southeast Asia and the Southwest Pacific.

10. *Declaration of Intention*

a. *The U.S. members* considered that even if there were agreements at Geneva, the urgency of the situation was such, and the probable length of time before a treaty could be signed and ratified was such, that it would be important to have the founding countries issue a statement of intent to conclude a treaty, and immediately to establish *ad hoc* machinery pending the ratification of such a treaty. The U.S. submitted a draft declaration (Annex C) as an indication of U.S. thinking. *The U.S. members* stated that copies of this draft had been made available to other potential signatories of such a declaration.

b. *The U.K. members* doubted whether it would be necessary, in the event of a settlement in Indochina, to issue a declaration of intent, but did not exclude this possibility.

ITEM III

Terms of Reference:

"Assuming no agreement on Indochina—

a. The form of collective defense pact for the purposes outlined in paragraph 2, which would be suitable to the situation;
b. The action to be taken in respect of Laos, Cambodia and Vietnam."

11. *The group agreed* that the main features of a collective security treaty which would be suitable in the event of no agreement on Indochina should be similar to those proposed by the Group in the event of a settlement.

12. *Timing*

The group agreed that in the event of a failure of the negotiations at Geneva the establishment of a collective security treaty would become more urgent.

a. *The U.K. members* considered that a strenuous effort should be made to enlist the support of the Colombo Powers and that this consideration should be kept in mind in deciding how to proceed with the negotiation of the treaty.
b. *The U.S. members* believed that the situation would require negotiation of a treaty with the utmost dispatch by those nations ready to participate in such a treaty.

13. *Declaration of Intention*

The group agreed that in the event of failure of the negotiations at Geneva:

a. It would be desirable that each of the two Governments should issue a declaration of intent to conclude with other interested countries a collective security treaty.
b. It would be desirable that as many other potential members of the treaty as possible should issue similar declarations, and that they should be consulted urgently to this end.

The U.S. members believed that the issue of a declaration would, in the event under consideration, be not only desirable but imperative and that the declaration should provide for the immediate formation of *ad hoc* machinery by the potential founding members of a security treaty.

The U.K. members considered that the text of the declaration of intent should be simple and general and drafted with the Colombo Powers in mind.

14. In the event of no agreement being reached at Geneva the Study Group recognized that decisions of high policy on the action to be taken in respect of Cambodia, Laos and Vietnam would be required. Among others, consideration should be given to the following:

(a) Invitations to Cambodia, Laos and Vietnam to join the security treaty.
(b) Appeals to the Security Council by Cambodia, Laos and Vietnam.

(c) The opening of military discussions with the French.

(d) Further measures to ensure the political stability and defense of Thailand.

Annex B

UK Comments on US Draft Security Treaty [5]

The following preliminary comments are submitted without commitment on the wording of the U.S. Working Draft for a Security Treaty which is attached as Annex A to the Report of the Study Group dated July 17. These comments are not intended to be exhaustive, since detailed matters of drafting cannot be undertaken until agreement has been reached between the two Governments on the main features of the proposed Treaty.

Preamble

The second clause is open to objection. In general nothing should be inserted in the preamble of a treaty which does not explain the purpose of the treaty and the aims of the parties in concluding it. This clause may suggest that the treaty is not solely defensive in purpose. It does not in fact relate to any of the substantive articles of the draft. It also raises questions concerning the good government of territories in the area.

Similar considerations apply to the second half of the third clause, which may also suggest an intention to undermine any settlement reached in Indochina insofar as areas left under Communist control are concerned. The following might be inserted in the preamble as a substitute for the second and third clauses of the present draft:—

> "Desiring to promote stability and well-being in the area of South-East Asia and the South West Pacific, to strengthen the fabric of peace and to uphold the principles of democracy, individual liberty and the rule of law."

The fourth clause of the preamble has no counterpart in the North Atlantic Treaty and is perhaps more suitable for inclusion in a statement of policy than in the preamble of a treaty.

ITEM IV

Terms of Reference:

"The procedure for bringing other interested nations promptly into these negotiations."

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[5] This annex is also headed "Informal and Unofficial British Embassy Working Paper".

15. The Group noted that consultations have already been undertaken with representatives of Australia, New Zealand, France, Thailand, the Philippines, and the Colombo Powers.

16. The Group recommended that the problem of further consultations concerning a declaration in respect of an Indochina settlement should be dealt with by the representatives of the two Governments at the Geneva Conference. (The respective views of the UK and US members are covered under Item I of this Report.)

17. a. As regards consultation with other powers on the projected collective security treaty, *the US members* believed that a working group with representatives of the UK, US, Australia, New Zealand, France, Thailand, and the Philippines should be established in Washington immediately to prepare agreed recommendations on the terms of a collective security pact regarding Southeast Asia and the Southwest Pacific, and to prepare agreed recommendations on the terms of a Declaration of Intent. Consultations should be undertaken with the Cambodians, Laotians and Vietnamese as appropriate.

b. *The United Kingdom members* believed that such a working group should not be set up until the views of the two Governments on this report were known and that in any case the establishment of the group should be preceded by individual soundings of the views of all potential participants in the treaty. Meanwhile consultation with other powers should be in general terms on an individual and not collective basis.

ARTICLE II

There is no precedent for the use in a treaty of the phrase "Communist subversion and infiltration". These words, both in themselves and when read in conjunction with Article III of the draft, raise serious questions in suggesting that the pact is directed against the Communist powers. The North Atlantic Treaty, for instance, was not, on the face of it, directed against any state or group of states. Asian opinion, in particular that of India and Burma, would be strongly opposed to any implication that the treaty was directed "against" anyone. The words in question are in any case not essential and would be better replaced by a phrase such as:—

"subversion directed from abroad".

Dealing in a treaty of this type with a question such as subversion and infiltration raises difficult general questions, including that of interference in the internal affairs of States. It may be possible to deal with the point under a more general clause on the lines of Article 2 of the North Atlantic Treaty together with a provision for consultation.

ARTICLE III

Paragraph 1.

The clause extending the operation of para. 1 to an armed attack "on any states or territories which the parties by unanimous agreement so designate" could be used to extend the commitment to cover an attack on countries not parties to the Treaty. On political grounds it would be undesirable to do this except on the request, or with the consent of, the country concerned. It would be well, therefore, to insert in this clause a qualification such as:—

"Upon request by the state concerned."

Paragraphs 1 and 2.

Both paragraphs in this Article use the expression "area". The area is not defined except in a very loose way as being the general area of South-East Asia and the Southwest Pacific. Unless the area is defined with greater precision it will not be possible to identify with any certainty the territories within this area to which these paragraphs of the Article apply. Furthermore, it will not be possible to identify with any certainty the area the peace of which has to be affected under Paragraph 2 of the Article.

The drafting of this Article is undesirably vague about the scope of the commitments undertaken. The terms of reference of the Study Group speak of a Treaty "regarding South-East and possibly South Asia", designed to deter Communist aggression. The immediate purpose is to guard against armed attack by the Communists on such countries as the Associated States, Thailand or Malaya. However, it is not desirable or in accordance with precedent and the usual rules of treaty-drafting that it should be specifically directed against the Communist powers. The present wording of Article III, 1 would cover many contingencies other than those mentioned above, e.g. in relation to Kashmir, Pondicherry, or New Guinea. It is therefore necessary to give a more precise and limited definition of the commitment. This might require enumeration of the territories to be covered. In both paragraphs the word "territory" requires further definition and consideration.

Paragraph 2.

In paragraph 2 the expression "an aggression which is not an armed attack" might be omitted or reconsidered. The words which follow the expression relate to any fact or situation which might endanger the peace of the area. It can be assumed that an aggression which is not an armed attack would also endanger the peace of the area and is therefore covered in the more general following words. As the expression "aggression" has not been authoritatively defined, the phrase in question may also raise difficulties in relation to Article 51 of the Charter of the U.N.

Paragraph 2, by using the general words "any fact or situation which might endanger the peace of the area", refers by implication to Article II of the Draft Treaty. The precise relation between these Articles requires to be explained. Certain drafting points also arise, but are beyond the scope of the present paper.

Paragraph 3.

This will require further scrutiny in the light of the texts adopted for the other commitments, since it may not be appropriate to report to the Security Council every type of measure which might be taken; "measures" under Paragraph 2 might include a wide variety of actions, such as the construction of airfields, an increase in the strength of armed forces, etc.

The application of Paragraph 3 to the wide variety of measures which could be taken under Paragraph 2 of the Article might create the undesirable impression that the paragraph had been inserted in accordance with Article 54 of the Charter relating to regional arrangements or agencies.

ARTICLE IV

It may be politically desirable that the Treaty should contain an explicit provision allowing States which are not parties to it to associate themselves in some degree with the work of the collective security organisation. This point might be met by the addition at the end of the first sentence of this Article of a phrase such as:

> "and for this purpose to establish machinery for effective co-operation including co-operation with states not parties to this Treaty".

However, since a clear distinction will have to be drawn between parties to the Treaty and states associated with it, it may be desirable to cover association in a separate article.

ARTICLE V

This adds nothing to Article III, 2 except insofar as it makes consultation obligatory whenever "in the opinion of any one" of the parties their territorial integrity etc., is endangered. If that provision were inserted in Article III, 2, then Article V could without loss be suppressed.

ARTICLE VI

It may be desirable to insert a paragraph, or a separate Article, on the lines of Article 8 of the North Atlantic Treaty, which reads:—

"Each party declares that none of the international engagements now in force between it and any other of the parties or any third state is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this treaty."

ARTICLE VIII

It may be desirable to follow the precedents of the North Atlantic Treaty and the Japanese Peace Treaty which required that certain specified signatories must ratify the treaty before it could enter into force.

REVIEW

It is for consideration whether a provision for review or amendment of the Treaty should not be inserted. If thought desirable, the point might be dealt with in the Article defining the powers of the Council.

Annex C

Draft Declaration on Southeast Asia and the Southwestern Pacific [6]

The Governments signatory hereto,

Desiring to strengthen the fabric of peace in the area of Southeast Asia and the Southwest Pacific, and

Convinced that the situation calls for them to be prepared for the exercise in this area of the inherent right of collective self-defense recognized by Article 51 of the Charter of the United Nations,

Declare

I

That they are actively engaged in creating a collective security agreement which will provide for effective cooperation in defense of the area against aggression, for assistance to the lawful governments of the area in resistance to Communist infiltration and subversion, and for cooperation in measures to meet any situation which might endanger the peace of the area.

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[6] This annex is also headed "Informal-Unofficial First U.S. Draft". It is identical to the draft of July 12 (tabled at the Fourth Study Group Meeting held July 13).

II

Pending the ratification of such an agreement they agree to establish:

> A Council composed of the Foreign Ministers or their deputies of the subscribing governments together with their military advisers.

III

The foregoing Declaration may be adhered to by other nations which share the purposes stated herein.[7]

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[7] Documents in file 790.5 for July 1954 indicate that the Department passed copies of the draft treaty and the draft above to the French Embassy on July 16 and that the Department had given copies of the entire Report to the Australian, Canadian, and New Zealand Embassies by July 19.

396.1 GE/7-1754: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference

SECRET WASHINGTON, July 17, 1954—7:37 p.m.

Tosec 562. 1. Final report US-UK study group on SEA defense being cabled. Rob Scott requests you make copies available Eden to which we fully agree.

2. Scott asking UK govt to concentrate on two immediate questions:

> a. US position that working group of representatives US, UK, France, Australia, New Zealand, Philippines, Thailand should be formed immediately to prepare recommendation on terms of collective security treaty.
>
> b. US position that declaration of intent should be issued quickly whether or not there is a settlement at Geneva.

3. We hope Eden will not continue emphasize efforts toward persuading Colombo Powers at expense moving ahead rapidly on collective defense arrangement.

4. We will, of course, continue our consultations with Australia, New Zealand, Philippines and Thailand.

5. FYI study group agreed copies report should not be given other countries but there was informal understanding Australia, New Zealand and Canada could receive copies, which is being followed up here.

DULLES

396.1 GE/7-1854: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference [1]

SECRET WASHINGTON, July 18, 1954—1:41 p.m.

Tosec 566. At conclusion final study-group meeting [2] UK showed us memorandum representing their understanding situation re membership countries as follows:

"*For UK Record*

"It was understood that the wording of Para 8b(1) [3] covered the possibility of India, Pakistan, and Ceylon becoming initial members. The US Representative said that they would not in practice interpret it to cover the inclusion of Formosa, Korea or Japan as initial members. He indicated that the US Government had no intention of opening informal consultations with Formosa, Korea or Japan in order to bring them in as initial members, but would not, however, preclude their eventual participation under the provisions of the treaty governing the accession of additional parties."

With respect to area to be covered by pact we made following notation which we gave the British:

"The US Representative made clear to the UK Representatives that in the US view, commitments under Para 8c(3) [3] did not apply to Hong Kong."

DULLES

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[1] Repeated for information to London, Paris, and Saigon.

[2] No memorandum or minutes of this meeting have been found in Department of State files.

[3] Of the Joint Study Group Report dated July 17, p. 633.

396.1 GE/7-1854: Telegram

The Under Secretary of State (Smith) to the Department of State

SECRET GENEVA, July 18, 1954—11 p.m.

Secto 649. Limit distribution. I think UK message to Colombo powers, Australia and New Zealand (Secto 644) [1] is satisfactory

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[1] From Geneva, dated July 18. In this telegram, not printed, Smith had transmitted a draft message from Eden to the Colombo powers. (396.1 GE/7-1854) A copy of the message as transmitted, dated July 18, was handed to the Secretary by Sir Roger Makins on July 19. In it the United Kingdom invited the recipient powers to join with itself and the United States, in the event an Indochina agreement was not reached, in issuing a declaration of intention to set up immediately an interim com-

Continued

step forward particulary since Eden is talking in terms of making declaration of intention as early as Thursday, July 22 in event of failure Geneva negotiations. Message itself may have salutary effect on work of conference when Communist delegates become aware of UK approach to Colombo powers.

Should, however, conference produce settlement Eden is hoping for more time and would like a delay of two or three weeks before making declaration of intention. His thought is that first thing following a settlement is to get Colombo powers to declare their support thereof and with this in mind is suggesting to them a form of words along the lines of proposed US unilateral declaration. It is clear that in this eventuality we will need to keep pushing Eden for earliest possible action.

SMITH

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mittee to prepare early recommendations on the conclusion of a Southeast Asia-Southwest Pacific collective defense agreement. (751G.00/7-1854) For text, see vol. XVI, p. 1434.

396.1 GE/7-1954: Telegram

The Under Secretary of State (Smith) to the Department of State

SECRET NIACT GENEVA, July 19, 1954—9 p.m.

Secto 674. Limit distribution. Re Secto 660.[1] Eden and I have discussed program of action to be taken in event of acceptable settlement. We have agreed to submit the following formula to London and Washington for approval. I feel this text reflects gratifying progress in UK thinking.

"*Action in re to Southeast Asia pact in the event of acceptable agreement on Indochina at Geneva on or about July 20.*

1. Every effort should be made to persuade countries of Southeast Asia and Southwest Pacific to associate themselves in some way with the Geneva agreement, in accordance with the suggestion made to them on July 19.[2]

2. Whether or not such declarations of association are made by all the countries concerned, invitations should be addressed not later than August 7 to the Governments of France, Australia, New Zealand, India, Pakistan, Ceylon, Burma, Indonesia, the Philippines and Siam, to appoint representatives to meet with representatives of the Governments of the US and UK in (blank) not later

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[1] Not printed. (396.1 GE/7-1954)

[2] Reference is to another section of the message from Eden to the Colombo powers, Australia, and New Zealand, which is partially outlined in footnote 1, *supra*.

than September 1 in order to prepare recommendations on the conclusion of a collective defense agreement for Southeast Asia and the Southwest Pacific.

3. The invitations to the five commonwealth countries, Burma, and Indonesia would be sent by the UK Government, to the Philippines and Siam by the US Government, and to France jointly by the two governments." [3]

SMITH

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[3] In telegram Tosec 579 to Geneva, July 20, marked "From Secretary for Under Secretary" and drafted by MacArthur, Dulles gave approval to the formula above but requested that the phrase "establishment of a collective defense" replace "conclusion of a collective defense agreement" in numbered paragraph 2. (396.1 GE/7-1954) The Secretary's reasoning, as set forth in telegram Tosec 572 to Geneva, July 19, marked "For General Smith from Secretary", drafted by Bonbright and cleared by MacArthur, was as follows: "I had in mind that with this change it would be easier for us to move expeditiously in establishment of *ad hoc* machinery before details of agreement were finally worked out which might take some time." (396.1 GE/7-1854)

790.5/7-2054

Memorandum of Conversation, by the Officer in Charge of Thai and Malayan Affairs (Landon)

CONFIDENTIAL [WASHINGTON,] July 20, 1954.

Subject: Multilateral Security Pact for Southeast Asia.

Participants: His Excellency Pote Sarasin, Ambassador of Thailand
Thuaithep Devakul, Minister Counselor, Thai Embassy
Mr. Drumright—FE
Mr. Sturm—PSA
Mr. Landon—PSA

The Thai Ambassador was invited to call in order to brief him on the matters under discussion in the closing sessions of the Joint U.S.-U.K. Study Group regarding a possible Mutual Security Pact for Southeast Asia. He was informed that the British had continued to be reluctant to move at this time; that, however, Mr. Eden had recently shown sympathetic understanding for the United States point of view in desiring quick action; that one element in British desire for delay was their hope to include as signers of such a pact some of the South Asian nations such as India, Pakistan and Ceylon, as well as Burma and Indonesia in Southeast Asia, which the United States did not consider likely initial supporters for such a pact.

The Thai Ambassador asked whether we would wait indefinitely for the British to move and he was informed that only a reasonable delay would be permitted and that it was hoped discussions among the likely initial signers could begin by September 1.

The Thai Ambassador asked whether progress at Geneva was affecting the British point of view and without waiting for a reply asked for further information on current developments at Geneva. An outline of possible agreements or declarations was given him in summary form.[1] These included cease-fire agreements with appropriate announcement between the three Associated States and the Vietminh, the French participating in agreements with Vietnam and Laos but probably not with Cambodia, which appeared to be acting independently of the French. Following cease-fire agreements there would be various declarations such as a general declaration by the Geneva Conference, followed by individual declarations by Cambodia and Laos, and a unilateral one by the United States taking note of the cease-fire agreements and the other Geneva declarations. This outline was given on a tentative basis subject to momentary alteration or cancellation. It was made clear that the United States Government would not subscribe to nor participate in the Geneva declarations or agreements but would make its own separate comment.

The Thai Ambassador reverted to the draft Multilateral Security Pact[2] and said he had certain comments provided him in the Thai language by the Foreign Minister Wan Waithayakorn. He agreed to make these available in writing but desired to give the comments orally at this time. He had no comment to make on the draft declaration but only on the draft treaty. In the preamble to the treaty he suggested the deletion of the words "and declare". In Article I he suggested adding a comma after the words "united nations". In regard to the words "international disputes" the Ambassador suggested that these should refer specifically to disputes involving the signers of the treaty only, as otherwise it would duplicate language in the United Nations Charter and would have no particular meaning for this specific treaty. In Article III, first paragraph, the phrase "declares that it would act to meet the common danger", should be altered to read "Agrees to join in taking appropriate action" in order to secure collective action promptly.

It was pointed out to the Ambassador that this weakened the draft as it limited the action to collective action and would not permit individual nations to act. The Ambassador then proposed a substitute reading "agrees to assist by taking appropriate action", which, he stated, had more possibilities for action.

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[1] For texts of the documents agreed to at the Geneva Conference, see vol. XVI, pp. 1505 ff.

[2] Dated July 9. See the comparative texts in SEAP D-2, Aug. 2, p. 686.

The Thai Ambassador reaffirmed that he would put these suggestions in writing for consideration by officers in the Department.

The conversation then turned to future relations between Thailand, Laos and Cambodia and the Ambassador was asked what he thought Thailand might be able to do to strengthen Laos and Cambodia. He made no suggestions and commented only that Lao officials were showing a more active interest in developing commercial relations with Thailand. He was asked whether this might not be the time for the Thai Government to try to develop a better economic understanding with Laos and Cambodia, perhaps establishing a Mekong River Authority of some sort which would have as its objective the improvement of the economic interests of the three nations. He said that this was one idea to consider and would appreciate any further ideas which the Department might make to him.[3]

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[3] Drumright, Sturm, and Bell held a similar conversation with Leuterio and Albert, also on July 20. The Philippine Chargé, however, stated that his government had as yet no comment to offer on the draft security treaty. (Memorandum of conversation by Bell; 790.5/7-2054)

396.1 GE/7-954: Telegram

The Secretary of State to the United States Delegation at the Geneva Conference[1]

SECRET NIACT WASHINGTON, July 21, 1954—12:15 p.m.

Tosec 587. For Under Secretary from Secretary.

1. Re Eden's formula for moving ahead on collective defense in SEA (Secto 674[2] as amended by Tosec 579)[3] we have assumed that Eden would not extend formal invitations to any of Colombo Powers unless such powers had previously indicated informally that they would accept invitation. Is this assumption correct? In our view it would be counter-productive to send a formal invitation and to have such invitation formally rejected. Furthermore, it would greatly complicate our ability to deal with fact that neither ROK nor Formosa will be invited.

2. Also we had not envisaged that US-UK invitations would be made public but rather that after invitations are extended, those governments accepting would make simultaneous and identical an-

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[1] Drafted by MacArthur.

[2] Dated July 19, p. 644.

[3] Not printed, but see footnote 3, p. 645.

nouncements in capitals in the form of a declaration of agreement to appoint Reps to meet together to prepare recommendations on establishment of SEA collective defense. This would make clear their common purpose and fact that their decision was on basis of common initiative and agreement and not something that US and UK had pushed others into.

3. Now that Geneva Conference has produced agreements,[4] assume Eden will proceed immediately with further consultation Colombo Powers to determine their attitude toward establishment collective defense SEA. As he knows, Philippines and Thailand are ready to proceed. We will concert with British Embassy here immediately to initiate necessary further consultation with French.

4. Hope consultations with Colombo Powers will produce early indication attitudes those powers so that if they are willing to participate, invitations can be extended and announcements made (paragraph two above) as far as possible in advance August 7 deadline. In our view, timing is still the important element particularly in view of the fact that public reaction to Geneva Conference is as we expected portraying Indochina agreement as great victory for Communists.

5. Please discuss above with Eden.

DULLES

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[4] Texts of the several agreements concluded at the Geneva Conference on July 20 are printed in vol. XVI, pp. 1505 ff.

790.5/7–2154

Memorandum of Conversation, by Walter H. Drew of the Office of Northeast Asian Affairs

SECRET [WASHINGTON,] July 21, 1954.

Subject: Multilateral Treaty Arrangements in Asia

Participants: Mr. M. G. L. Joy, First Secretary, British Embassy
Mr. R. H. Wade, First Secretary, Embassy of New Zealand
Mr. J. L. Allen, Second Secretary, Embassy of Australia
Mr. Robert J. G. McClurkin, Deputy Director, Office of Northeast Asian Affairs
Mr. Walter Drew, NA

In the course of a periodic exchange of views with Messrs. Joy, Allen and Wade, Mr. McClurkin asked what the reactions of their governments might be to including the Republic of Korea and Japan in a Southeast Asia Treaty Organization in the event that relations between Korea and Japan were normalized. He pointed out that the rearmament of Japan might be carried out advantageously within the context of an Asian pact and that if Japan were included, it would also be necessary to include Korea, which has the largest non-Communist Army in Asia. Mr. McClurkin suggested that it might also be profitable to explore the possibility of Northeast Asian and Southeast Asian security organizations which would be interlocking. He said that he had raised the possibility of interlocking pacts in general terms with Ambassador Iguchi of Japan and that the Ambassador had indicated that Japan would not be unwilling to think about it.[1]

Mr. Joy said that the most important problem was to get India with its 330,000,000 uncommitted people into a pact. He considered that if Japan and Korea were included in an Asian pact then it would be necessary to include Formosa, and for practical purposes this would preclude Indian participation. He said that his personal view was that the Foreign Office might look with greater favor, however, on the idea of interlocking pacts. He commented that membership in a Northern Pacific Treaty Organization might give the Republic of Korea sufficient strength to permit it to negotiate peaceful unification with North Korea.

Mr. Allen commented that two interlocking pacts seemed like a good idea, although he could not speak for his government at this point. He said, however, that he knew his government did not want Japan or Korea or, particularly, Formosa to be included in a Southeast Asia Treaty Organization.

Mr. Wade said that he thought that the idea of interlocking treaty organizations had potentialities, although he wondered whether membership in a North Pacific Treaty Organization might encourage the Republic of Korea to renew hostilities against North Korea. Mr. McClurkin said that he believed that Republic of Korea membership in a North Pacific Treaty Organization would give it some hope for the future and thus diminish any inclination to resort to unilateral military action.

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[1] In a memorandum of a conversation held on July 23 at the request of Shigenobu Shima (Minister at the Japanese Embassy), Richard B. Finn, Officer in Charge of Japanese Affairs, wrote:

"Possible participation by Japan and the Republic of Korea in a treaty organization was raised by Mr. Shima. Mr. McClurkin said the United States hopes for establishment of normal relations between these two countries and said their immediate participation in a collective defense organization was not at present being considered. Mr. Shima observed that Japan would not be able to participate in a collective defense organization since Article 9 of the Japanese Constitution is generally interpreted to prohibit the sending of Japanese forces abroad; in this connection he said some legal experts in Japan believe Article 9 would not prohibit Japan's placing forces under a joint command in response to a United Nations resolution for collective action." (790.5/7-2354)

U/MSA files, lot 57 D 567

The Secretary of State to Senator Alexander Wiley [1]

[WASHINGTON,] July 22, 1954.

DEAR SENATOR WILEY: You have asked me whether in my judgment the signing of armistice agreements regarding Indo-China diminishes the need for funds requested for the area of Southeast Asia and the Western Pacific in the Mutual Security legislation now before the Congress.[2]

I believe that the armistice does not diminish the need for these funds. If anything it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area. When I appeared before the Foreign Relations Committee during the hearings on this legislation and discussed the need for funds in this area, the possibility of a settlement of the nature which has now taken place was already foreshadowed. As you will recall, when I testified as to the importance of having a flexible fund to build strength in this region, I emphasized the need for it even should such a settlement occur and I believe this was also held in mind by members of your Committee. In my estimation, the gain which Communism has now established in this area should be a warning to all the people of the region as well as to ourselves of a need for a determined effort to preserve their freedom. I believe no one can now foresee exactly how these funds will be used. However, their availability will be essential for the success of plans now under way. In the event that unforeseen circumstances prevent the efficient expenditure of these funds for the purposes of strengthening the area against further Communist encroachment, they will of course be held unexpended for future disposition by the Congress.

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[1] Senator Wiley of Wisconsin was Chairman of the Senate Foreign Relations Committee. The letter was made public by him during debate on the Mutual Security bill on July 29. See *Congressional Record*, vol. 100, pt. 9, p. 12515.

[2] This question was discussed at the Secretary's staff meeting held the morning of July 22. The unsigned notes of that meeting read in part:

"Mr. Nolting reported that Representative Taber had queried Budget Director Hughes as to how much of the flexible $785 million which had been requested for Southeast Asia could be saved because of the cessation of hostilities in Indo China. Mr. Hughes felt that a Working Group, composed of State, Defense and FOA, should be established to examine the $785 million in order to advise the Congressman on how it was contemplated this money would be spent. Mr. Nolting asked whether the Department should participate in such a Working Group or whether we should adhere to our previous position that such unspecified funds were necessary in order to provide the maximum flexibility in Southeast Asia.

"The Secretary replied that he thought it had been understood during the recent meeting with Congressional leaders, including Representative Taber, that we needed this large sum for flexible use in the area. Saying that he had foreseen the present situation at the time of the meeting with the Congressional leaders, the Secretary pointed out the importance of maintaining these funds in order to build-up Thailand, Laos, Cambodia, and Burma, as necessary. Furthermore, he had reiterated this point yesterday to Representative Taber, emphasizing that it would be a serious blow to cut these funds at the present time since the major purpose of the flexible $785 million was to prevent disaster from spreading in Southeast Asia. The Secretary added that he was not familiar with the details of the separate $306 million for hardware for Indo China and that there might be some possible savings in this amount." (Secretary's Staff Meetings, lot 63 D 75, SM N-249) John Taber of New York was Chairman of the House Appropriations Committee.

For these reasons I believe it is a matter of grave importance to the national interest that these funds be available and I trust that the Congress will see fit to authorize and appropriate them.[3]

Sincerely yours,

JOHN FOSTER DULLES

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[3] Another discussion of this bill occurred at the staff meeting held the morning of Aug. 2:

"Congressman Vorys had mentioned to the Secretary that the House version to this Bill provided that the SEA funds could go only to countries with which we were associated in Mutual Security Assistance military pacts. The Secretary was concerned that this might preclude military assistance to Laos, Cambodia and Viet-Nam. He asked that Mr. Nolting see what could be done to accomplish this.

"Mr. Morton stated that the Senate version did actually name the countries of Laos, Cambodia and Viet-Nam and he was sure that we could secure wording approval in the conference for our purposes." (Summary by Scott; Secretary's Staff Meetings, lot 63 D 75)

Specific mention was made of Cambodia, Laos, and Vietnam in Section 121 of the Mutual Security Act of 1954, approved Aug. 26. See 68 Stat. 837.

Editorial Note

During consideration of the results of the Geneva Conference at the 207th NSC meeting held on July 22, Dulles alluded to potential regional groupings in Southeast Asia:

> "The great problem from now on out was whether we could salvage what the Communists had ostensibly left out of their grasp in Indochina. Secretary Dulles indicated, in this respect, that the State Department had been actively carrying on negotiations with the British, who seemed now willing to go ahead to make plans for the defense of the rest of Southeast Asia despite India. Present schedules call for getting going formally on discussions of the defense grouping for Southeast Asia by the end of August. . . .
>
> "Mr. Cutler inquired of Secretary Dulles as to the possibility of getting any considerable number of free Asian states, especially the Colombo powers, into the Southeast Asian regional group, so that it would not appear to be just another white man's group. Secretary Dulles pointed out the two different aspects of the future regional grouping—a smaller one, primarily military in character and with relatively few Asian members at first, around which could perhaps

be created a larger grouping of Asian states primarily for purposes of economic stability and growth.

"The President expressed his strong support of this general concept." (Memorandum of discussion by Gleason, drafted July 23; Eisenhower Library, Eisenhower papers, Whitman file)

For the section from which these quotations come, see volume XIII, Part 2, page 1867.

890.00/7–2254: Circular telegram

The Secretary of State to Certain Diplomatic and Consular Offices [1]

SECRET WASHINGTON, July 22, 1954—8 p.m.

50. Limit distribution. Letter July 20 from Assistant Secretary Robertson [2] airpouched you requests your opinion about extent to which program expanded economic assistance, maximizing Asian participation, and designed primarily stimulate economic development would strengthen ability and willingness free Asian countries resist Communism.

Recent developments have heightened Department's interest your reply. You should therefore send written reply to inquiries accompanying letter but telegraph summary reply soonest.

Telegraphic summary should also include your views following matter which was not mentioned Robertson letter: UK, Australia and New Zealand have advocated inclusion economic provisions in projected SEATO collective security pact presumably with intention developing economic organization within SEATO framework. Such organization would necessarily contain very few Asian powers. Our preliminary thinking is provisions in SEATO treaty should be in very general terms and merely pledge signatories cooperate with each other and with non-member States in developing measures which will promote economic stability and social well-being. Such language would leave U.S. and other signatories free to participate if desirable in Asian economic organization of wider scope and not specifically related to a collective defense organization.[3]

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[1] Drafted by Baldwin. Sent to Bangkok, Djakarta, Manila, Rangoon, Saigon, Seoul, Singapore, Taipei, and Tokyo.

[2] Not printed. The letter, sent to each Chief of Mission personally, and a number of letters in reply, are in FE files, lot 55 D 480. Several telegraphic replies to the letter and to this telegram are in file 890.00.

[3] In a memorandum for the files dated July 22, Baldwin stated in part:

"In the forenoon of July 20, Mr. MacArthur (Counselor of Department) asked me to come to his office to discuss a matter of considerable importance. He told me that during the bilateral Anglo-American talks which had just ended, the British side

Continued

Replies this telegram should be marked "limit distribution". Discuss this and related matters with fewest possible members your staff.

DULLES

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had submitted several proposals concerning economic provisions which should appear in the SEATO treaty, asked my opinion as to how these provisions would affect the possibility of organizing a Regional Organization in the Far East which would have wider scope and would not be attached to a collective defense organization.

"I told him that in my opinion the wrong language in the SEATO treaty might well prevent our encouraging and supporting a broader organization of that kind and, in fact, might prevent some of the other SEATO members from participating in such an organization. I said that this might be avoided if the language in the SEATO treaty were general in nature and thus would not have the effect of tying our hands." (890.00/7-2254)

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State-Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] July 23, 1954—11:30 a.m.

[Here follows a list of persons present (28). All of the members of the Joint Chiefs of Staff attended. General Ridgway had become Chief of Staff, United States Army. The Department of State group was led by Murphy and MacArthur. Amory, Deputy Director for Intelligence, attended for the CIA.]

1. *Southeast Asia Defense Pact*

Mr. Murphy stated we would like to bring the Joint Chiefs up to date with respect to our current thinking on the creation of a Southeast Asian defense alliance and asked Mr. MacArthur to outline our views.

Mr. MacArthur dwelt at some length on the developments over the past few months with respect to this subject and the attitude of countries in Southeast Asia. Thailand and the Philippines, as well as Australia and New Zealand, favor a pact. Indonesia has informed us its attitude would be one of "active neutrality".[2] We do

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[1] A note on the title page reads: "State draft. Not cleared with any of the participants."

[2] At a conversation held July 21 with MacArthur and other officials, Sir Robert Scott had shown the group a telegram from the British Ambassador in Indonesia, Oscar Charles Morland, which described the latter's conversation with Prime Minister Ali Sastroamidjojo. In his memorandum of the conversation in Washington, Jernegan paraphrased part of the telegram as follows:

"The Prime Minister went on to say that whether or not agreement was reached at Geneva on Indochina, the Indonesian government would not participate in the

Continued

not know what the position of Burma and India will be although the Burmese may be benevolent although non-participants whereas the Indians will probably be negative. We hope that a working group of the countries willing to participate may meet around the first of September and it has been agreed with the British that invitations for this meeting should be issued early in August. The working group will need to reach conclusions about (a) the text of a treaty, (b) the permanent organization to implement the treaty and (c) interim organization. With respect to the permanent organizational structure, there are three possibilities: (a) an elaborate structure comparable to NATO's; (b) a simple standing council with a civilian representative and military advisers and no other committees; and (c) a council which would meet when called together or periodically. We tend to favor the second type of machinery. With respect to interim machinery, we favor the establishment of an interim council at a suitable location in the Far East. The Ambassadors of the participating countries at this post might serve as the foreign ministers' deputies and they might have attached to them a small civilian and military staff.

At the conclusion of Mr. MacArthur's briefing, Admiral Davis said he had understood the study group talks with the British involved no commitments on either side and that the U.S. was not committed to anything with respect to a Southeast Asia defense alliance. He stated he thought the Chiefs might question participation by the Colombo powers and might also have questions to raise about the area to be covered by the defense pact. He said he had discussed this subject with Secretary Wilson and thought this might be a suitable occasion to give Secretary Wilson's initial thinking.

Admiral Radford interrupted at this point to say that he thought it would be desirable to present the Joint Chiefs' views. He made it clear that the Chiefs had reached no formal decision about a Southeast Asia defense alliance but thought he could speak for them on this occasion. He invited any of the Chiefs to speak up if they had views contrary to those he would express.

Last April, said Admiral Radford, the Joint Chiefs had recommended that a regional pact be formed in Southeast Asia. This recommendation, however, was made before the Geneva Conference and when it was assumed that the military power of France and Vietnam would be included in the pact. The Chiefs had believed that French and Vietnamese power would form the nucleus of the

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establishment of collective defense for Southeast Asia, as suggested by Mr. Eden, since this would be contrary to the policy of 'active neutrality' of the Indonesian government." (790.5/7-2154) strength needed in a defense alliance in this area. The situation has fundamentally changed since that time as we are now talking about an area where there are no developed military forces. The Burmese and the Thais have only forces sufficient for the maintenance of internal security. Indigenous military power in the Far East is found in Korea and Formosa and some is developing in Japan. Military power can be built in Southeast Asia only at considerable cost. Admiral Radford feels we should take a good look at the idea of a defense alliance for this area to be sure we are not making a mistake. The idea of countering aggression should it occur in Southeast Asia is one thing, but that is different from meeting the aggression in the locale where it occurs. Admiral Radford implied we would not wish to resist aggression there but would wish to strike at China. Furthermore, if we attempt to build forces in Southeast Asia we will have to reduce expenditures elsewhere.

Mr. MacArthur stated the reasons why we regarded the creation of a defense alliance as a first priority project and emphasized we believed its initial purpose would be mainly one of assisting the countries there to devise means to resist internal subversion. The cost of a program for this purpose could be kept within reasonable limits.

Admiral Radford disagreed, noting that the Thais had requested $400 million in aid and that even this amount would only result in the creation of a force of 180,000 men. If we had agreed to this request, we would not have gotten any real defense for this expenditure. In addition, if we conclude a defense alliance, the South Asians [*sic*] will be led to believe that they will be protected. This will not be the case because if there is further military aggression by China it will not be countered locally in Southeast Asia but we will hit directly at China itself. Hence, the whole project can have the most adverse effects.

General Ridgway stated he fully agreed with Admiral Radford. For security reasons we would not be able to tell the countries of the area that we were not going to protect them if they were invaded. To attempt to protect them would be an unjustified diversion of our military resources.

Mr. MacArthur said we were not disagreeing with the Chiefs' strategic concept and that he personally assumed that we would strike at China itself. However, the defense alliance would serve notice on the Chinese that if they cross the line we would retaliate.

Mr. Murphy repeated the theme that we felt the greatest danger at the moment was not from overt aggression but rather from internal subversion.

Mr. MacArthur also pointed out that a defense pact would give the countries confidence that there is a deterrent and this would perhaps decisively affect their willingness to deal with the internal problem. He again stressed the view that the aid required for this purpose would not be substantial.

Admiral Radford again cited the Thais as an illustration that the demands on us would not be modest. Mr. Murphy pointed out that the Secretary was anxious to obtain the $800 million we had requested for fiscal 1955 for aid to Southeast Asia and inquired whether the Chiefs had not been in accord with this position. Admiral Radford replied that the $800 million would not be enough to put real teeth in a defense pact and in any case it had already been cut to $712 million and from what Congressman Taber had said to him he expected there would be further cuts.

Admiral Radford stated that from a military point of view a Southeast Asia defense pact seemed undesirable and unwise. It will lead the countries of this area to believe they will be protected. This will not be so. All the Chiefs agreed with this position. They were extremely concerned about our joining such an alliance under present circumstances. All the military strength in the Far East is in the north but neither Korea nor Formosa are even being invited to participate. Will this not complicate our problems with them? Furthermore, Admiral Radford said, he felt the entire world wide military aid program was getting out of hand. We make additional commitments to various countries (recently, for example, to the Turks and the Thais) and these complicate the problem. In addition, Congress is going to pull in its belt and reduce the size of the program. And now, under the terms of the Geneva agreements, Vietnam, Laos and Cambodia, he assumed, would not even be able to participate in a defense pact.

Mr. MacArthur, referring to the last point made by Admiral Radford, said our analysis of the Geneva agreement was incomplete and that we were not yet clear on the extent to which they might be able to participate in such a pact. However, an alliance would serve notice on the Chinese that we would go after them if they renewed their aggression. We did not want to lose the area by default. Admiral Radford reiterated the view that we should not take the risk of allowing the Formosans, Koreans and Japanese to feel they had been left out. Mr. Murphy then inquired if the Chiefs assumed we lost Southeast Asia, what difference it would make to their strategic plans. Admiral Radford, without answering this question, said he thought the main problem was internal subversion. In Burma, so far as he knew, there was no military mission. Mr. Murphy said we do not expect the Burmese to participate in an alliance. General Ridgway then said that Admiral Radford and the rest of the Chiefs really felt we should take a very hard look at the idea of a defense pact to make sure we are not making a mistake. General Ridgway expressed his very deep concern over our dollar commitments for military aid and referred to the very substantial costs of our undertakings in Korea where aid next year will have to be of the magnitude of $700 million to a billion.

Admiral Radford expressed like sentiments and again stated his fear that the U.S. would suffer a severe loss of prestige if we agree to a defense pact. Mr. MacArthur repeated his view that large expenditures would not be required providing we kept the emphasis of the program on measures to improve internal security.

Admiral Radford felt this would not be possible and that the nations of the area would not be modest in their demands. We have a position of strength in the north which has cost us a lot. Very little can be done regardless of expenditures to generate military strength in the south. Why should we not divide up the area? The U.S. could assume responsibility for the Western Pacific and ask the British to assume responsibility for the security of the south.

General Twining expressed his agreement with Admiral Radford and his feeling that we should not use American forces in Southeast Asia to stop aggression. Mr. Murphy said he felt it essential that Admiral Radford discuss his views with the Secretary as soon as possible and the latter indicated that he would do so at a meeting already arranged in the Secretary's office at 11:30 tomorrow.

Admiral Davis said he assumed that the agreement the President reached with Churchill did not commit us to proceed on a Southeast Asia defense alliance. Mr. MacArthur pointed out this was not the case since the agreement was in terms of either a success or failure at Geneva.

[Here follows discussion of other topics.]

790.5/7-2354 Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State

SECRET

LONDON, July 23, 1954—3 p.m.

399. Deptels 445[1] and 446,[2] July 22 discussed with Denis Allen this morning. Following are his comments on numbered paragraphs Deptel 446 which he made with reservation that Eden has not yet had time to give full consideration to SEA collective defense matters:

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[1] Not printed. (790.5/7-2254)

[2] Identical to telegram Tosec 587 of July 21, p. 647.

1. Our difficulty re ROK and Formosa fully recognized and British will probably agree that formal invitations should not be sent unless there is informal indication of acceptance.

2. Agreeable in principle.

3. and 4. August 7 deadline fixed in order give time for Colombo Powers to issue statements associating themselves with Geneva settlement. As British believe at least some of these powers will not agree to attend SEA collective defense meeting British feel time should be allowed for all practical efforts to inspire at least declarations of association and that possibility such declarations being issued is sufficiently bright to outweigh disadvantages of delay involved. British believe August 7 deadline will allow time for declarations to be made, informal sounding on acceptability of invitations to be carried out, and formal announcement of meeting to be issued but are pessimistic re possibility advancing this deadline. So far as British aware, French have not been consulted but Foreign Office agrees some approach should be made promptly, probably by Ambassadors Paris. British have kept Australia and New Zealand informed and anticipate no questions or difficulties from them.

British inclined to feel meeting should be held in SEA area and Allen mentioned in noncommittal way possibility of Baguio. Allen hopes he himself will not have to attend and apparently anticipates British representative will be a special appointee such as retired or temporarily unemployed ambassador.

ALDRICH

790.5/7-2354: Telegram

The Ambassador in Indonesia (Cumming) to the Department of State [1]

SECRET DJAKARTA, July 23, 1954—5 p.m.

156. Depcirtel 39.[2] Indonesia highly unlikely near future to join collective security pact for Southeast Asia. In my opinion, however, Indonesian attitude should not deter us in implementing mutual defense arrangement with those SEA countries now willing.

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[1] Repeated to London for information; pouched to Bangkok, Canberra, Karachi, Manila, New Delhi, Paris, Rangoon, Saigon, and Wellington.

[2] Dated July 16, sent to Colombo, Djakarta, Karachi, New Delhi, and Rangoon. In this telegram, the Department had requested each Embassy to estimate whether the government to which it was accredited might join a Southeast Asia security pact. "US view is that while we would not wish exclude these nations from membership collective security pact we not prepared accept delay conclusion security pact in order have any or all these nations come in as initial members. We continue feel strongly we should press forward as rapidly as possible create collective SEA defense with those nations now ready to proceed." (790.5/7-1654)

Now that cease-fire has been arranged in Indochina, Indonesians will be more inclined to continue policy of "wait and see". This fits their natural bent to inaction when facing weighty complex problems, and cessation of shooting in SEA will now, in their view, give further license to this attitude.

Indonesian motives range over all-too-familiar spectrum neutralist arguments. Many responsible Indonesians, in and out of government, gravely concerned over growing strength Red China, but most appear inclined to allow matter develop in its own way and hope for best. Indonesia is not prepared, because of its whole "neutralist independent" approach to foreign affairs, action which would be equivalent of saying "we regard China as threat to peace of SEA" and would much prefer to avoid making any far-reaching decisions. In addition, in Indonesia writing and discussion of problem, the thought crops up that in last analysis Britain and US would never let Indonesia fall to Chinese, and that their island position plus allied air and sea power makes it possible for them to enjoy a free ride and postpone taking decision on China problem. Future attitude of Indonesians will largely depend on "new signs" of Communist aggression. If this threat develops from without they are not likely to warm to idea of mutual security unless the threat seems to be immediately directed at Indonesia. Indonesia also is not oblivious to possible danger of "liberation" from within. Even non-Communist leaders in present government entertain misgivings re Indonesian Communist intentions and most opposition leaders are even more sensitive to Communist threat, both internal and external.

I agree fully with Department's views that we should press forward as rapidly as possible with Southeast Asia defense pact. To wait until what would doubtlessly be futile effort to secure participation of "neutral" countries such as Indonesia would only make us the more vulnerable to charges of provocation, should we approach problem after relaxation has set in following Indochina cease-fire. As we progress we should take some pains to keep Indonesia informed to greatest degree possible in keeping with security considerations on formation of such pact. In addition to reducing Indonesian feeling that US in "high-handed manner" and without consulting Indonesia taking action which may vitally affect Indonesian interests, it would especially favorably impress those in sympathy with any action which would provide protection against Chinese Communist threat.

CUMMING

790.5/7-2354

The Ambassador in Australia (Peaslee) to the Department of State

TOP SECRET
No. 34

CANBERRA, July 23, 1954.

Subject: Employment of Australian Forces in Defense of Southeast Asia.

Ref: London's despatch 2462 January 19: London's Telegram 3198 to the Department January 27, rptd Canberra 6 Wellington 38; London's Telegram 3946 to the Department March 13, rptd Canberra 7 Wellington 40; and London's Telegram No. 1 July 8 to Canberra.[1]

In an interview July 21 with Assistant Secretary Plimsoll of the Department of External Affairs, question was raised regarding the timing of Cabinet consideration of the so-called Melbourne proposals which resulted from the visit to Australia and New Zealand of Field Marshal Sir John Harding. In the case of Australia, the essence of these proposals was that Australian forces should bolster and supplement United Kingdom forces in Southeast Asia and possibly assume some of the roles and missions presently allocated to the United Kingdom. As a concomitant, Australian responsibilities in Malta and the Middle East would be reduced.

Mr. Plimsoll pointed out that the proposal when advanced some months ago was deemed inappropriate for consideration by a government which was facing an election. He then added that he knew of no plan to have the matter come before Cabinet in the near future and stated that it would certainly not be considered at the Cabinet meeting July 22. He inferred that because of the government's concentration on the question of a settlement in Indo-China, and the formation of a Southeast Asian Treaty Organization, the government's decision regarding placement of forces would not be made until the atmosphere in Indo-China cleared and responsibilities of participants in SEATO were indicated.

For the Ambassador:
AVERY F. PETERSON
Counselor of Embassy

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[1] None printed.

790.5/7-2354

Memorandum of Conversation, by the Officer in Charge of Commonwealth Affairs (Horsey)

SECRET [WASHINGTON,] July 23, 1954.

Subject: Proposed South East Asia Collective Security Conference

Participants: Mr. G.R. Laking, Minister, New Zealand Embassy
Mr. R. H. Wade, First Secretary, New Zealand Embassy
Mr. MacArthur—C
Mr. Galloway—C
Mr. Horsey—BNA

Mr. Laking first commented that recent publicity on arrangements for the conference was most unfortunate, particularly since the British were still in the process of consulting the Colombo powers. Mr. MacArthur fully agreed, particularly since this puts us in a very difficult position with friends with whom we do not share so fully, as we have with such countries as New Zealand, our thinking on this subject.

On the place of the proposed conference, Mr. Laking said that New Zealand's preference was for Washington because of the good facilities it gave them, although he saw some advantages in Baguio. Mr. MacArthur said we had not at all made up our minds but had simply put this forward as one suggestion to be considered amongst others. Mr. Laking also mentioned Singapore as a possibility. In any case, Mr. Laking said that his Government thought it was important not to make a decision on the place until we had the results of the British consultation with the Colombo powers.

Mr. Laking asked what our present thought was on including "Formosa", Japan and the ROK. Mr. MacArthur said that there were powerful reasons for including them but that we recognized the great difficulties which this would cause elsewhere. He thought the pact should be openended, with the idea that they could ultimately join. Meanwhile, in order to avoid the question of who were the inviting powers and who the invited, the net result of our present consultations should perhaps be identical declarations in all of the capitals concerned, setting forth that the named governments had decided to hold a conference, etc. This would also avoid the bad result of having any governments which did not wish to attend being put in the position of having to set forth formally and officially their reasons for not doing so. On progress thus far, we had heard that the Indonesians declined, preferring to proceed with their policy of "active neutrality". The Burmese likewise declined but in terms which held out hope that their situation might change within, say, a year. We had not heard the position of India and Pakistan but were leaving to the British the initiative in regard to consulting the Colombo powers.

Mr. Laking asked whether any thought was being given to organizing a North Asian collective defense group. Mr. MacArthur reviewed our various security arrangements in the area and said that bringing them together in such an organization might well be one possibility, having in mind that ultimately it could be meshed with the similar organization for South East Asia. However, we had not yet formed any definite views on this.

In conclusion Mr. MacArthur said we wished to keep in close touch with the New Zealand Embassy and would welcome comments and suggestions from them at any time as work in this field progressed.

790.5/7-2354

Memorandum by the Regional Planning Adviser in the Bureau of Far Eastern Affairs (Ogburn) to the Acting Assistant Secretary of State for Far Eastern Affairs (Drumright)

SECRET [WASHINGTON,] July 23, 1954.

Subject: Invitations to Conference on Collective Defense for Southeast Asia

According to current telegrams on the subject, we have an understanding with the British whereby invitations to attend a conference on collective defense for Southeast Asia and the Southwest Pacific are to be sent by us to the Philippines and Thailand, by the British to Australia, New Zealand, Ceylon, India, Pakistan, Burma and Indonesia, and to France by the two governments jointly; preliminary soundings-out of the governments to receive invitations are to be conducted in accordance with the same division.[1]

I have set forth my views on this matter to Mr. Day and Mr. Sturm of PSA but without apparently having succeeded in impressing them very much. Nevertheless, I should like to go on record as stating that I believe we are making a mistake in subscribing to such arrangements as these.

I can see no justification for the British undertaking a unilateral approach to Burma and Indonesia on the question of their participation in collective defense arrangements in Southeast Asia. What construction will the Burmese and Indonesians put upon the fact that we are leaving the British to approach them and the Commonwealth powers while we approach the Philippines and Thailand? I can think of only two conclusions they are likely to draw: (1) that the British consider it important to have them included in the collective system but that the U.S. does not, or (2) that the U.S. considers that Burma and Indonesia lie within a British sphere of interest in Southeast Asia as distinct from an American sphere which embraces the Philippines and Thailand. It would be most unfortunate for the Burmese and Indonesians to derive either of these impressions. It would be particularly unfortunate in the case of the Indonesians; the Burmese were at least once part of the British Commonwealth.

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[1] Two handwritten marginal notes read: "This was done in agreement with British. I agree that it would perhaps have been better to have had a joint appeal to Indonesia and Burma. However, I doubt if the reaction will be as dire as set forth in p. 3 of your memo [last two paragraphs]. E[verett] F. D[rumright]" "Please see me about this. E. F. D."

We have, it seems to me, an inexorable propensity for approaching the colonial and former colonial parts of the world under the most unfavorable auspices. We have handicapped ourselves in Burma—and are continuing to do so—by leaving it exclusively up to the British to take care of Burmese military requirements, as if Burma were still part of the Commonwealth. We approach Morocco exclusively through the French, although the relationship between Morocco and France is a treaty relationship. In the post-war years, we allowed Indonesia to be brought to the brink of disaster by our persistence in approaching the Dutch-Indonesian conflict on the basis of our relationship with the Dutch; we selected Mr. DuBois [2] and then Mr. Cochran [3] as U.S. representatives on the UN Commission for Indonesia because, on the basis of their personal characteristics, we felt that they could be depended upon to be coldly unresponsive to the claims of the Indonesian nationalist movement.[4] (We were fortunately wrong in both instances). In the case of Indochina an irremediable disaster has resulted from our determination to conduct through the French our relations with the unhappy peoples of the Associated States.

The present instance of this self-defeating habit of mind is or at least must seem to be—a relatively minor matter. Its significance, however, cannot be dismissed—and I fear will not be dismissed by our Asian friends. If the Indonesian Ambassador should ask why we had left it to the British to solicit Indonesian membership in the new defense organization, what explanation should we offer?

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[2] Coert DuBois, U.S. Representative during the first half of 1948 on the UN Good Offices Commission in the Netherlands East Indies.

[3] H. Merle Cochran, DuBois' successor, served until 1949 and was Ambassador to Indonesia from late 1949 until February 1953.

[4] For documentation, see *Foreign Relations*, 1948, vol. vi, pp. 57 ff., and *ibid.*, 1949, vol. vii, Part 1, pp. 119 ff.

Incidentally, I might say that I feel the British are playing their relatively weak hand in Asia far more shrewdly than we are playing our strong one. In connection with the concept of the Southeast Asian defense organization, I think we should give real consideration to the British position—that is, that we should go slowly in forming such an organization in order to give ourselves time to persuade Burma, Pakistan, Ceylon, Indonesia, and India to join or, at least, to look with favor upon it. If we could devise any kind of arrangement that would have the effect of increasing the solidarity of the non-Communist countries of the area, including the so-called neutrals, we should have accomplished something of outstanding value and significance and have imposed a formidable obstacle to further Communist expansion. By contrast, the kind of organization we propose to create, in which Thailand and the Philippines will be the only Asian members, will, I fear, have chiefly the effect of giving us the illusion of "doing something" and, rather than create cohesion in the non-Communist Asian world, will accentuate the differences among the non-Communist Asian countries—it will widen existing cleavages on our side of the iron curtain. Had such an organization existed in the past, we should still have been confronted with exactly the same choices that in the last few months we have found so unpalatable in Vietnam; the British (and with them the Australians and New Zealanders) would still not have intervened militarily in a civil war for objectives which could only have been achieved at the price of a war with Communist China. The organization we envisage would not have helped. As far as the future is concerned, the organization we have in mind will not, I venture to say, alter appreciably the prospect of a successful defense of Thailand or Burma against Communist aggression or internal machinations. As far as Communist aggression goes, the defense of Southeast Asia will still rest upon U.S. military forces. With respect to Communist subversion, no international military organization will have much relevance to the problem.

How, for example, could such an organization have contributed to the defeat of the Communist threat in the Philippines in 1950? Could it have added anything to the highly successful joint efforts of the anti-Communist Filipinos and Americans? I think we are fooling ourselves if we think it could act constructively in any similar situation in the future. If, however, we could develop any kind of arrangement in Asia that would bring in India, Burma and Indonesia, along with the Philippines and Thailand, and would serve as a constant symbol of their common interests and common determination to preserve their freedom and a vehicle for the resolution of their common problems, we should have taken a genuine stride forward in the frustration of the Communists.

As I see it, we shall meet our problem best not by linking up those who are already strongly anti-Communist but by raising the level of anti-Communism generally in Asia—which means devoting our major efforts to inching the neutralists forward. A chain with links of moderate strength is much more useful than a chain with some strong links and some missing links.

Conference files, lot 60 D 627, CF 348

Minutes of a Meeting on Southeast Asia [1]

TOP SECRET [WASHINGTON,] July 24, 1954.

SEAP Special 1

Participants: Vice President Nixon
The White House
Mr. Cutler
Defense
Secretary Wilson
Admiral Radford
Admiral Davis
FOA
Governor Stassen
State
The Secretary
The Under Secretary
Mr. MacArthur
Mr. Morton
Mr. Drumright
Mr. Stelle
CIA
Mr. Allen Dulles
Mr. Bissell

The Secretary said that the purpose of the meeting was to discuss the next steps to be taken in Southeast Asia. Pursuant to the Eisenhower-Churchill agreement to examine the problem of the defense of the area, a joint US-UK Study Group met in Washington and produced a report which, while there were two or three points of disagreement, was in the main an agreed draft. In accordance with the terms of reference, the group considered the problem on two contingencies: 1) assuming no settlement was reached at Geneva and 2) assuming a settlement. Now that the first contingency has been eliminated and the provisions of the Geneva agreements are known, we can proceed with the next step. The Secretary believed that we should move ahead quickly with those countries in the area who are willing to join in a Southeast Asia Pact, the primary purpose of which would be to deter open aggression by the Chinese Communists. Another important objective would be to combat subversion and infiltration in the non-communist states of the area. This could be done principally by helping to build up local security forces, by economic support, and possibly by underground intelligence support.

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[1] Drafted by Trulock on July 26. Trulock is not listed among the participants in the meeting, which was held from 11:30 a.m. to 1:30 p.m.

A memorandum of the same meeting by Cutler is an attachment to a memorandum from MacArthur to the Secretary, July 27, neither printed. (790.5/7-2754)

The Secretary said that the two primary advantages to the US in the proposed treaty would be that it would give the President discretionary authority—which he does not now have—to use in the event of the overt Chinese aggression in the area and it would ensure that we would have the support of other nations in any action we are forced to take.

The Secretary stressed that in his view, the treaty should not be drafted in such a way so as to lead the other signatories to expect large amounts of US military assistance to build up their armed forces nor should it require the stationing of large US and other forces in the area. He did not visualize the necessity for a large NATO-type organization in the area. The treaty should permit us to draw a line which, if crossed, would permit us to retaliate at the source of aggression and to do so with the support of other nations.

The Secretary said that we would, of course, wish to strengthen the local forces in Cambodia and Laos and retained Vietnam to the extent possible under the terms of the armistice agreement.

Military Equipment now in North Vietnam

In response to a question from Mr. Allen Dulles, General Smith said that it would be possible under the terms of the armistice agreement for the French to move equipment from the North to the South of Vietnam. He added that Mendes-France had stated that he had given priority to the movement of heavy equipment, particularly that furnished by the US and that Mendes-France expected that the French would be able to move the vast majority of the equipment in the Delta to South Vietnam, although it might be necessary to destroy some material in the more remote areas. General Smith said that the French might approach us for some assistance in moving the equipment, perhaps the loan of a few LST's.

Elections in Vietnam

Secretary Wilson raised the question of elections in Vietnam in 1956 and asked if we were likely to lose the whole country. The

Secretary said that—in view of the population distribution: 13 million in North Vietnam; 9 million in the South—he thought that we would have to take the position in 1956 that conditions were not favorable for the free expression of the will of the population. Even though there would probably be some movement from the North to the South, the fact that the people in the North would probably vote as a block made it extremely unlikely that the results of an election would be favorable to us.

The Proposed SEA Pact

The Secretary raised the problem of the type of pact we should try to get. He said that from a military standpoint, we should proceed rapidly with the UK, France,[2] Australia, New Zealand, the Philippines and Thailand to draw up a treaty which would be deterrent against possible aggression by China and which could "Draw a Line" to include the Associated States even though they were not members. He referred to the fact that Canada and Greenland were covered in the Rio Pact, even though Canada and Denmark were not signatories. This type of military alliance would probably not attract any adherents except the seven he had listed. On the other hand, a treaty which contained provisions regarding the economic welfare of the area, while it might eventually attract some of the Colombo powers and Japan, would delay the formation of a defense arrangement if we waited for some of these powers to come in. He thought that the best solution would be to proceed immediately with those who are ready to draft a military treaty and to perhaps include language in the treaty regarding economic and cultural cooperation which might attract other Asian nations towards associated membership, leaving the treaty "open-ended", so that they could come in later.

Secretary Wilson asked about India and added his view that without the Colombo Powers, we wouldn't have much in Southeast Asia. Mr. Cutler asked why we couldn't begin with the economic treaty first, thereby attracting those Asian nations who would not sign a military agreement and giving the whole project an Asian flavor from the start.

The Secretary said that the UK had already extended invitations to the Colombo powers and that Pakistan would probably be willing to join but this would raise the problem of East Bengal. General Smith said that Pakistan would probably follow our advice in this respect. He said that Eden had asked us not to press for Cambodian membership, since the British thought this would be in violation of the implied "neutralization" of the Associated States in the Geneva agreements. Eden believed that this might jeopardize eventual association by the Colombo powers. General Smith said that Cambodia could not contribute much in any event. He added that the British were willing to move ahead with us in this matter much more rapidly than we had expected and that they had handled the Colombo powers very skillfully so far.

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[2] In telegram 299 to Paris, July 23, repeated for information to London and Saigon, the Department reported that at the request of the French Embassy, and with the agreement of the United Kingdom, France had been brought "up to date on present situation re Southeast Asia collective security arrangement. French reaction obviously relieved and pleased France to be included as founding member in any SEA collective defense. Embassy Officer gave his informal opinion Paris feels urgent press ahead with creation collective defense that area." (790.5/7–2354)

The Vice President said that it might have a salutary effect on world opinion if Cambodia could be included in the pact. He wondered what the interpretation would be if Cambodia were left out. The Secretary pointed out that Vietnam and perhaps Laos were precluded by the terms of their armistice agreements and would be left out. It might look bad to have Cambodia in and the other two out.

General Smith stated his belief that the only thing that produced an agreement at Geneva was the fear of the Chinese, probably strengthened by that of the Indians, that we would intervene. The Vice President agreed and said that it was necessary that we promptly show strength in the area.

Secretary Wilson said that he thought we should back away from the idea of a ~~military~~ pact and go ahead with the economic aspects. Secretary Dulles said that it would be an unmitigated disaster to abandon the Southeast Asia Military Pact now.

The Secretary said that we must create immediately authority to act in the event of Chinese aggression and that this pact was the best device to do that since it ensured that we would not act alone. Mr. Cutler asked if it was contemplated that the announcement would include a reference to the economic aspects of the treaty. The Secretary said that it would and read the appropriate section of the draft declaration. General Smith said that if we had an "openended" treaty so that the Colombo powers could associate themselves with the economic aspects, it would make it easier to obtain at least their benevolent neutrality in the event of hostilities. He said that Burma had its own military problems at the moment but might associate itself with the economic and cultural aspects of the treaty. Secretary Wilson asked about Indonesia, which he described as the most vital part of the area to us. Mr. MacArthur said that we had received a report which indicated that Indonesians would reply to the invitation in the negative, stating that they wished to maintain their "active neutrality." He said that their stance would probably be determined by the attitude of the other Colombo powers. The Secretary said that in drawing the line, what was inside the line was not as important as the notice we would give to the world that if the line were crossed, we would retaliate. Secretary Wilson asked where in Indochina we would draw the line. The Secretary replied that it would include Laos, Cambodia and retained Vietnam. Governor Stassen asked if the UK was willing to draw the line there. Mr. MacArthur replied that the UK had agreed to that line in the Study Group but that both governments had participated on an *ad referendum* basis. The Vice President asked if there were any precedent for a treaty under which certain powers could associate themselves with part of the treaty, but not with all of it. The Secretary replied in the negative but said that if the two aspects could be combined in one treaty, leaving open the future association of other Asian nations with the economic and cultural aspects, it might be the most astute way to approach the problem. He was skeptical, however, regarding the likelihood of the association of the Colombo Powers. General Smith said that we might get one of them now and perhaps more of them later.

The Vice President wished to confirm that we would proceed with the military aspects first. The Secretary said that this had been agreed to by the President and Sir Winston, that the text of a draft treaty had already been considered and circulated on a limited basis, and that it would be very harmful to back away from the military treaty at this point. The Vice President asked if we would start breaking ground now on the economic aspects. The Secretary said that we would. Governor Stassen said that he would designate appropriate officers in his agency to contact Mr. Baldwin in State regarding the economic aspects of the SEA treaty.

The Secretary said that we would like to get Admiral Radford's views on the nature of the proposed treaty. Admiral Radford said that the JCS were concerned that a NATO-type treaty would involve commitment of US resources and manpower to defend the local area and that the other powers to the treaty would be stimulated to make requests for military assistance which would be far out of proportion to our present capabilities and to the relative importance to our national security.

Governor Stassen understood Admiral Radford's concern but said that the MAAG's were one of the most effective ways to combat subversion in under developed countries. They were a great contribution toward political stability. He referred specifically to the case of Iran. Admiral Radford agreed, but said that the presence of advisory missions always added impetus to requests for assistance.

General Smith said that no massive Chinese invasion was expected at this time; rather we should be prepared to meet the "Viet Minh type" of warfare. This was why he had insisted that the

French retain two bases and their training missions in Laos. He told Mr. Allen Dulles he had asked Mendes-France to send one of his best men here to talk with him. He hoped that an able and intelligent Vietnamese might be able to join them in discussing the covert side of the picture.

Retention of the MAAG in Retained Vietnam

There was a discussion as to whether we could retain our MAAG in South Vietnam. The Secretary said that we had not reached a final conclusion on this and certain other questions involving interpretation of the agreements but that Mr. Phleger was giving it his full attention now and we would pass on our conclusions to the other interested agencies as soon as possible. Mr. MacArthur said that Embassy Saigon had recommended that the air force technicians in Vietnam be transferred to the MAAG roles, thus giving us an additional 100 figures to play with. It was generally agreed that this would be a good idea which Defense would pursue.

Consulate in Hanoi

Regarding the maintenance of a consulate in Hanoi, there was general agreement that it would be to our advantage to keep as many people in North Vietnam as possible and that we should allow the Communists to take the initiative in any sealing of the area.

Trade with North Vietnam

The Secretary said that Secretary Weeks had raised, in the last cabinet meeting, the problem of cutting off trade with North Vietnam and that he understood that Commerce would refuse to issue export licenses pending further clarification of our position. It was agreed that this policy should be examined carefully and that all aspects of the problem should be considered.

Forces in the Area

Governor Stassen suggested that it might be a good idea from a psychological standpoint, if not a military standpoint, to have a regimental combat team or a regiment of Marines showing the flag in the area such as Bangkok. Mr. Allen Dulles said that he hoped we could obtain a volunteer air force in Thailand similar to the Flying Tigers.

Announcement Regarding SEA Pact

The Vice President said it might be helpful for the President to make a major foreign policy speech to coincide with the announcement regarding setting up of SEATO. Mr. MacArthur said that the present plans were for identic announcements to be made in the capitals of all seven powers (US, UK, France, Australia, New Zealand, Thailand, Philippines) stating that the governments were appointing representatives to meet to begin drafting the treaty. Mr. Cutler asked if our tactics were to put ourselves forward as the leaders in this exercise. He cautioned that we must not play up our role domestically so that we alienate potential Asian members. The Vice President recognized this danger and said that a second possibility would be for the Senate to pass a resolution endorsing our participation in the treaty. The Secretary said that this had merit. Governor Stassen suggested that it might be useful to have the Senate resolution follow the joint announcement by the seven powers.

Indonesia

The Vice President said he wished to stress the importance of doing everything we can in Indonesia since this was an area which could easily go either way.

Governor Stassen said that he believed the Chinese Communists would concentrate on the off-shore islands, Formosa, Malaya and Indonesia. Admiral Radford said that one of the urgent tasks was to assist the Chinese Nationalists in working with the Chinese minority groups in the countries of Southeast Asia.

Northeast Asia

The Vice President urged that we should step up, rather than cut back, our aid to Formosa and Korea. Admiral Radford said that the JCS agreed that we must maintain and strengthen our position in Northeast Asia. He hoped that we could eventually have a pact covering the ROK, Japan, Formosa and perhaps the Philippines. The Vice President said that he hoped that the Secretary would be able to give his personal attention to the problem of Japanese-Korean relations, which was one of the stumbling blocks to effective defense arrangements among the countries in that area.

790.5/7-2454: Telegram

The Secretary of State to the Embassy in Pakistan [1]

SECRET
PRIORITY

WASHINGTON, July 24, 1954—2:31 p.m.

92. FYI. On basis US–UK agreement reached at Geneva, UK Govt now consulting Govts of Australia New Zealand Burma Ceylon India Indonesia Pakistan re possibility those govts partici-

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[1] Drafted by Galloway, and cleared with the Secretary, among others. Repeated to Bangkok, Canberra, Colombo, Djakarta, Manila, New Delhi, Rangoon, Wellington, London, and Paris.

pating in establishment collective defense SEA. US/UK Govts will also consult French Govt this matter and US Govt has already determined that Govts Philippines and Thailand are prepared participate. US/UK Govts have agreed consultations should be completed so that by about August 7 those govts willing participate can appoint representatives to meet together not later than September 1 for purpose making recommendations to govts on establishment collective defense. End FYI.

Info now available indicates probability India Indonesia Burma Ceylon will not wish participate initially in collective defense. In this situation, UK consultations will probably be designed to persuade those govts adopt favorable attitude toward establishment collective defense or at least not to oppose it.

Attitude Pakistan not yet known; however we anticipate GOP might be willing participate from outset in efforts establish collective defense. Before taking definite position this matter, however, GOP presumably would wish ascertain US views re most desirable course of action for GOP. In view attitudes other "Colombo Powers" we inclined doubt advisability GOP becoming initial participant since such action might well have effect of influencing Indian attitude toward adopting hostile position re creation collective defense, with consequent unfavorable effects other "Colombo Powers". Furthermore if GOP did not become initial participant it might be able exert constructive influence other "Colombo Powers" and help bring about, in short term, favorable attitude others toward SEA collective defense, and in long run participation other "Colombo Powers" in collective defense.

Foregoing represents tentative thinking re possible courses of action for GOP and we would wish have opportunity consult with UK and perhaps other govts before expressing definitive views to GOP should latter request them. However, for time being you should be guided by above in any discussions you may have with officials GOP.

DULLES

790.5/7-2654: Telegram

The Ambassador in Pakistan (Hildreth) to the Department of State [1]

SECRET

KARACHI, July 26, 1954—4 p.m.

88. Re Department telegram 92 [2] (repeated Delhi 102, Colombo 24, Rangoon 57, Djakarta 112). Embassy agrees assumption reference telegram GOP willingness join collective defense SEA from outset though Embassy without any direct indication attitude GOP. However, Embassy has some doubt wisdom indicating to GOP, prior ascertaining their own thinking, tentative position United States set forth reference telegram reference desirability GOP refraining initial participation SEA security arrangement. Embassy thinks some advantage in first trying get GOP's honest thinking, especially Prime Minister, on subject matter prior indicating United States thinking along lines reference telegram.

Reference tactics proposed reference telegram seems possible Embassy that GOP might exert more favorable influence on doubtful Colombo powers by joining SEATO earlier rather than later. Would be interested reaction Embassies Delhi, Rangoon, Colombo, Djakarta this point.

HILDRETH

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[1] Repeated to Colombo, Djakarta, New Delhi, and Rangoon.

[2] Dated July 24, *supra*.

790.5/7-2654

Memorandum of Conversation, by the Director of the Office of Chinese Affairs (McConaughy)

SECRET

[WASHINGTON,] July 26, 1954.

Subject: Southeast Asia Security Organization

Participants: Sir Roger Makins, British Ambassador
Mr. R.H. Scott, British Minister
The Secretary
The Under Secretary
Mr. McConaughy, Director, Office of Chinese Affairs

During the call on the Secretary by Ambassador Makins, the following was discussed:

Southeast Asia Defense Organization. Ambassador Makins, referring to Eden's statement in Commons in which he assumed neither Cambodia, Laos, nor South Vietnam would be a party to a defense pact although their territory presumably would be covered,[1] expressed the hope of his Government that we would take the same position.

The Secretary replied that our lawyers were still studying the matter; offhand, it seemed that Cambodia had the legal right to enter a defense arrangement, South Vietnam did not, and Laos' right was fuzzy, its position being somewhere in between. We would like to take cognizance in some way of the courageous stand of the Cambodians at Geneva; they had earned the status by the spunk they showed in holding out for full freedom of action.

The Secretary remarked that recent conversations with prospective signatories had covered fully the military problems, but had not given the same attention to economic problems. He felt that economic assistance to Southeast Asia might prove more important than military assistance. We do not expect early overt military aggression, though we must guard against it as the police guard against lawlessness even in an orderly community. Military measures were necessary to provide the atmosphere of security indispensable to economic progress. There would undoubtedly be strenuous competition between the free and communist portions of Vietnam to see which could show greater economic advancement. It would be important to assist the free portion as well as other countries in the area. He observed that a multilateral economic mutual assistance agreement would be very important, regardless of whether it was a part of the military pact or separate and distinct. It would be highly desirable to bring Japan into such an economic pact at some stage; it was important to give Japan better access to markets and raw materials in Indonesia, Pakistan, and India.

Ambassador Makins, agreeing, also stressed the importance of the political or administrative phase. Apart from the military and economic factors, the countries could not cope with domestic administration or curb subversion and infiltration without an effective civil service, which we could aid them to establish.

The Under Secretary was inclined to believe that Cambodia should be kept out of the military side of the proposed pact for the present; he had informed some colleagues at Geneva that although not committing his Government, he would use his personal influence in that direction. Cambodia and the other countries concerned could come in immediately on the nonmilitary phase. Pakistan was prepared to participate fully if invited; however, he was inclined to agree with Eden that there would be a better chance of bringing in more of the Colombo powers at a later stage if neither Pakistan or

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[1] For text of this statement made on July 22, see *Parliamentary Debates*, House of Commons, 5th Series, vol. 530, cols. 1570–1571.

Cambodia was brought in now. It might be possible to bring them in a year hence.

The Secretary thought this estimate somewhat optimistic; it would be difficult to bring in Pakistan without India.

The Under Secretary thought India's course would depend largely on whether the influence of men like Pillai [2] or those like Krishna Menon proved dominant.

The Ambassador observed that except for East Bengal, the orientation of Pakistan was more toward the Middle East than Southeast Asia.

The Ambassador and the Under Secretary agreed the situation in East Bengal was precarious. It was mentioned that Australian Foreign Minister Casey, former Governor of Bengal, had expressed deep anxiety.

The Under Secretary remarked that it was clear the signatories of a military pact would have to react if the line established at Geneva were violated by the Communists. Possibly the line would not be defended locally, but the pact would immediately become operative and action of some sort would be taken. The Ambassador agreed that violation of the line would bring the military provisions of a pact into force.

The Secretary remarked that the Western coloration of the proposed pact was unfortunate. As it now stood the principal members would be the United States, the United Kingdom, France, Australia, and New Zealand—all Western powers. It was true that Thailand and the Philippines presumably would adhere but their influence was limited and the adherence of additional Asian countries would be desirable.

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[2] Narayana Raghavan Pillai, Secretary General of the Ministry of External Affairs.

790.5/7-2654: Telegram

The Chargé in Burma (Acly) to the Department of State

SECRET

RANGOON, July 26, 1954—4 p.m.

66. In general conversation this morning Tun Shein, Permanent Secretary Foreign Office, told me that although GUB has no illusions about Communist China circumstances would not permit Burma participate in SEA joint defense arrangements. He emphasized however that GUB would not be hostile to such arrangements by others pointing out no unfavorable comment yet made by any GUB official.

Comment: This reiterates information given Ambassador . . . (Embtel 31)[1] and contrary to statement attributed to departing Indian Ambassador Chettur in *Calcutta Statesman* July 24 that Burma would do best prevent SEATO.

ACLY

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[1] In this telegram, dated July 13, Ambassador Sebald had summarized a conversation with a Burmese official. The section concerning SEATO reads:

"GUB will not join SEATO but will adopt benevolent neutral attitude. *Comment:* He felt GUB must not get too far ahead Burmese public opinion which still thinking in terms colonialism." (790B.00/7-1354)

790.5/7-2754

Memorandum of Conversation, by the Acting Officer in Charge of Pakistan-Afghanistan Affairs (Metcalf)

SECRET [WASHINGTON,] July 27, 1954.

Subject: The Ambassador's Observations on SEATO

Participants: Mr. S. Amjad Ali, Ambassador of Pakistan
NEA—Mr. Jernegan
SOA—Mr. Metcalf

In conversation yesterday the Ambassador on his initiative offered some observations on the character of a South East Asia defense arrangement. He said that on the assumption that the forthcoming meeting of Asian and other powers would address itself to the actual organization of such an arrangement, it seemed very important to him that the allocation and provision of troops should be an integral part of the plan. He said that this point would have a great psychological effect on the small, weak nations of South East Asia. The Ambassador could see two contingencies in that area: either outright invasion of some nation by Red China (which he said would probably mean general war), or a Viet Minh-type of operation (which he said would be the more likely prospect). Without the allocation of troops for ready use in the area, the Ambassador was not sure that small nations would be willing to provoke the Chinese by adhering to a collective security arrangement. The Ambassador cited Burma as an example of such a nation.

Mr. Jernegan[1] wondered whether Burma had to worry about a Viet Minh-type development within its borders. The Ambassador replied that according to his information from Karachi, there were communist "cells" in northern Burma which could become active and which were of some concern to Pakistan, which shared a frontier with Burma. Also the Pakistanis understand that Chou En-lai told the Prime Minister of Burma [2] during their recent meeting in Rangoon that they should meet again for further talks.

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[1] John D. Jernegan, Deputy Assistant Secretary of State for Near Eastern, South Asian, and African Affairs.

Mr. Jernegan observed that our thinking on SEATO was in the formative stage, but that it was his understanding that eventual troop provision was not necessarily to be excluded from the organization. He pointed out that NATO itself did not have any troops when it was first created. He added that if the Asian participants in the forthcoming conference should give emphasis to this point, he was sure it would become a matter for consideration.

The Ambassador said that on his own initiative he was pressing his Government to give serious thought to participation in SEATO. He believed he had won Foreign Minister Zafrulla over to his line of thinking. He could go no further, however, until he had a better idea of what the U.S. attitude would be toward Pakistan's relation to SEATO. (He added that the Australian Ambassador, Sir Percy Spender, would like to see Pakistan join up at the beginning.) The Ambassador said that Pakistan had the "bodies"; the requirement now was equipment.

Mr. Jernegan remarked that there were various aspects to be considered, including the possible need of Pakistan to build up its economy before trying to support larger forces. He wondered whether this could be accomplished very soon. He went on to ask whether the Ambassador really thought it would be desirable for Pakistan to join SEATO if all the other Colombo powers stood aloof. Might it not be better, in the long run, for Pakistan to remain outside and exert its influence on the others to modify their policies in the direction of eventual participation? The Ambassador did not directly answer this last question but said that if Pakistan made up its mind to join SEATO it would probably make a determined effort to get Ceylon to do likewise. If both Ceylon and Pakistan joined, he thought this would have real advantages.

The implication was left that he was not sure it would be advantageous for Pakistan alone to participate.

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[2] U Nu.

790.5/7-2854: Telegram

The Ambassador in Indonesia (Cumming) to the Department of State[1]

SECRET DJAKARTA, July 28, 1954—2 p.m.

182. Noforn. During conversation with President Sukarno this morning I asked him what his attitude was towards a proposed SEATO. He replied that he thought it best for Indonesia to remain outside. After a slight pause he added "certainly at this time". Later in the conversation I reverted to the subject and asked him what Indonesian attitude would be towards a SEATO when it came into being; whether he would oppose it or adopt a benevolent attitude. He replied that he personally thought it would be a good thing for those countries that cared to join; that so far as he could see his attitude would be "neither plus nor minus". He acquiesced to my suggestion that that meant in effect he would have a benevolent attitude, adding that a lot would depend on the actions taken by SEATO. He said that while it was none of his business, he thought it would be a mistake for us to invite Indonesia to join as such an approach might be taken by some Indonesians as a form of pressure to draw Indonesia away from its independent policy into our defensive system.

The President then said that in a few minutes he expected the British Ambassador, who is going on leave in a few days, to call on him and that he anticipated Morland would ask him the same question I had re SEATO. He said his reply would be the same as the one given me and cryptically added, "I do not know whether he will like my answer".

CUMMING

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[1] Repeated to Bangkok, London, New Delhi, and Rangoon.

790.5/7-2854: Telegram

The Ambassador in India (Allen) to the Department of State[1]

SECRET NEW DELHI, July 28, 1954—3 p.m.

118. Department's 102, July 24 (sent Karachi 92)[2] and Karachi's 9, July 26 (sent Department 88).[3] This Embassy concurs that participation in SEATO by Pakistan would increase Indian hostility against collective security arrangement for Southeast Asia. Howev-

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[1] Repeated for information to Colombo, Djakarta, Karachi, London, and Rangoon.

[2] *Ante*, p. 671.

[3] *Ante*, p. 673.

er, it seems clear that India will oppose such arrangement anyway, particularly in view of Indian chairmanship of Indochina Cease-fire Commission.

There are pros and cons to Pakistan participation as viewed from New Delhi. Arguments against Pakistan participation include fact that United States military aid to Pakistan is already important reason for India's increasing relations with Red China. Further Indian concern regarding Pakistan at this moment might change GOI attitude on Indochina Commission. Moreover, in view of Pakistan's economic conditions, it might not be desirable to encourage Pakistan to increase its commitments or to lean too heavily on US for additional support. While there is little likelihood that Pakistan's abstention would soften Indian attitude substantially, less polemics in press and public statements against SEATO would be made if Pakistan is not member.

On other hand, Pakistan's participation might have favorable effect on Burma and Ceylon. While Burmese would probably not say so publicly, they would in fact feel more assured of prompt support in case of Chinese attack, just as Afghans now feel help could come to them through West Pakistan if USSR attacks. Closeness of East Pakistan to vulnerable areas of South Asia would serve as justification for Pakistan participation. If Pakistan collective security connections remain solely with Turkey and Middle East, we may find it difficult to justify introduction of US military equipment into East Pakistan, whereas Pakistan's membership in South Asian arrangement would make American equipment and some personnel in Dacca understandable. Moreover, it may be difficult to find adequate basis for refusing Pakistan participation if GOP shows strong desire to join either initially or later. I am inclined to think views of GOP should be chief determinant. Impact on India would be lessened if one other Colombo power could be induced to join. Ceylon seems most likely candidate, and Pakistan may wish to sound out Ceylon. If, in addition, some indication of benevolent attitude by Burma could be obtained, Nehru could hardly lash out against all his immediate neighbors.

ALLEN

790.5/7–2854: Telegram

The Secretary of State to the Embassy in the United Kingdom [1]

TOP SECRET WASHINGTON, July 28, 1954—[7?] p.m.

589. It very important that from beginning prospective members SEA collective defense Australia France New Zealand Philippines Thailand UK and certain other interested Govts understand US concept SEA pact. In particular they should know we do not envisage SEA security pact developing into NATO-type organization with large permanent machinery under which large local forces-in-being are to be created with substantial US financial support and to which US would be committed contribute forces for local defense. On contrary US envisages security pact which will 1) deter Communist overt aggression and 2) permit US and others assist in increasing stability local areas, improving effectiveness local forces both military and police and hence ability local govts prevent Communist infiltration and subversion which seems more probable than overt aggression.

If matter becomes subject conversation you authorized outline US views on general objectives and nature SEA pact making following points which we are making here to Embassies.

1. Insofar as overt Communist armed aggression concerned, main objective pact should be to deter it. Agreement by parties that armed attack on any of them or on any territories which they should by unanimous agreement designate, would endanger peace and security of each and that each would act to meet common danger in accordance with its constitutional processes, would put Communists on notice aggression would be met by armed action and would provide necessary deterrent against such aggression.

2. Primary problem however is to frustrate Communist subversion and infiltration in area. Deterrent provided by pact against armed aggression will be of value in instilling confidence this score into govts of area and will thus also operate increase their capacities deal with subversion and infiltration. Improvement in effectiveness military and police forces local countries will also assist them counter subversion and infiltration. This should in fact be primary objective toward which such improvements should be directed. Would be profitless attempt create massive local forces with any object of stopping massive attack. But will be useful improve and streamline military and police establishments in local countries with object reducing possibilities subversion of legitimate govts.

3. If pact fails deter overt aggression members would then have deal with aggressor in most feasible and most effective manner.

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[1] Drafted by Stelle and MacArthur and cleared by the latter with the Secretary, among others. Sent also to Bangkok, Canberra, Manila, Paris, and Wellington; repeated for information to Colombo, Djakarta, Karachi, New Delhi, Rangoon, Seoul, Taipei, and Tokyo.

Particular types action which should be undertaken would naturally depend upon forces which parties could bring to bear and circumstances at time aggression.

4. Treaty should have general provision for economic cooperation among members and with other like-minded countries e.g., Colombo Powers Japan etc. in general area. However decision as to best method proceed in economic field will first require considerable US study and subsequently exchanges views with interested countries.

DULLES

790.5/7-2854: Telegram

The Secretary of State to the Embassy in the United Kingdom [1]

SECRET WASHINGTON, July 28, 1954—8:14 p.m.

591. Today we informed diplomatic reps Australia France New Zealand Philippines Thailand U.K. our views on possible procedure and timing re organizing SEA collective defense on following lines: [2]

1. *Consultations with interested governments.* By August 7 preliminary consultations should be completed with those governments which might possibly wish participate in organizing SEA collective defense.

2. *Announcement re collective defense arrangement.* On or about August 7 (following consultations para 1) governments which have signified intention participate should make simultaneous identic announcements in respective capitals stating intention establish collective defense arrangement and agreement hold meeting for this purpose at a date and place to be specified in this announcement.

a. *Date.* U.S. believes meeting should be held not later than Sept. 6.

b. *Place.* U.S. believes Baguio would be appropriate place. We would be willing meet Honolulu if others wish or consider other possible sites. We believe Washington or Singapore not appropriate.

c. *Level of representation.* U.S. believes meeting should be at Foreign Minister level.

d. *Duration.* We anticipate meeting would last about three or four days.

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[1] Sent also to Bangkok, Canberra (with instruction to repeat to Wellington), Manila, and Paris. Drafted by MacArthur and cleared by him in substance with the Secretary.

[2] A record of several of the conversations held for this purpose on July 28 and 29 is in Conference files, lot 60 D 627, CF 355.

3. *Preparations.* About two or three days after announcement para 2 above informal working group of Reps participating governments should meet in Washington to begin drafting treaty text. It is hoped this group could largely complete drafting text prior September meeting, leaving only few principal questions for discussion and decision Foreign Ministers.

DULLES

790.5/7-2954: Telegram

The Ambassador in Ceylon (Crowe) to the Department of State [1]

SECRET COLOMBO, July 29, 1954—noon.

34. Prime Minister [2] told me today he personally supports SEATO in principle but feels he must hear from all Colombo powers and consult with them before making decision. He said India and Indonesia have already cabled GOC they will not support SEATO. Burma and Pakistan have not yet stated their views. Prime Minister also wishes more facts. Suggest high-ranking London or Washington official make tour of Colombo powers explaining details of proposed alliance. My impression is that he will not "go" it alone but may join if Pakistan is for it and Burma not opposed to it. This is also feeling of UK High Commission here.

CROWE

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[1] Repeated for information to Djakarta, Karachi, New Delhi, Rangoon, and London.

[2] Sir John Kotelawala.

Conference files, lot 60 D 627, CF 355

Memorandum of Conversation, by the Public Affairs Adviser in the Office of European Regional Affairs (Nunley)

SECRET [WASHINGTON,] July 29, 1954.

Subject: Southeast Asia Pact

Participants: Mr. Robert Scott, British Minister
Mr. MacArthur, Counselor
Mr. Galloway, C
Mr. Nunley, RA

Mr. Scott called on Mr. MacArthur at 3:00 o'clock July 29 to inform him of a message received July 28 from Foreign Secretary Eden concerning US proposals for moving ahead with a Southeast Asia security treaty. Mr. Scott said the UK is unable to commit itself at this time to the schedule proposed by the US (declaration of intention on August 7, followed by a ministerial conference about September 6). Nor can it commit itself on the device of a simultaneous identical announcement of intention by the founding governments. Mr. Scott explained that Mr. Eden is still very keen on sounding out the Colombo Powers on associating themselves with the Geneva settlement, and is apparently giving this matter first priority. He said Mr. Eden is also anxious that the Colombo Powers be given an opportunity fully to discuss the proposed Asian security arrangement. The UK believes it would be premature at this time for the US to discuss the terms of a joint announcement of intention with other countries.

Mr. Scott reported that there appears some possibility that both Pakistan and Ceylon may be willing to join in the proposed SEA security arrangement, and Mr. Scott said such a development might easily pave the way for Burmese accession. Both Mr. Scott and Mr. MacArthur expressed the view that such participation would be a very interesting development.

Mr. MacArthur inquired about the meaning of the message as related to the original agreement between Foreign Secretary Eden and Under Secretary Smith. Mr. Scott expressed the view that the UK Government does not intend any change in this agreement. He feels that the program of completing consultations with the Colombo powers by August 7 and the holding of a meeting about September 1 still stands. However, Mr. Scott was unable to estimate when the US might expect a definitive position from the British Government on the question of issuing an identical announcement of intention by August 7. Mr. MacArthur stressed the advantages of the simultaneous announcement procedure as opposed to a procedure of issuing invitations from the US and UK to other countries, and Mr. Scott expressed a personal preference for the simultaneous announcement procedure.[1] Mr. MacArthur also emphasized the fact that considerable work will have to be done before an announcement can be issued and that it is extremely urgent to obtain a definite British decision on the announcement procedure and time-table as soon as possible.

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[1] In Galloway's memorandum of a conversation held between himself, Merchant, and Stelle, and Sir Robert Scott on Aug. 3, the U.S. position on this issue is set forth in more detail:

"From the U.S. standpoint, the issuance by the U.K. of formal invitations to the Colombo Powers would create difficulties for the U.S. which had agreed that countries such as Nationalist China, Japan, and the ROK would not be invited to participate as initial members in a Collective Security Arrangement. Also, it was most desirable that the formation of such a Collective Security Arrangement should, as far as possible, bear the stamp of initiative of Asian countries, and invitations extended by the U.S. and the U.K. would conflict with this objective." (Conference files, lot 60 D 627, CF 355)

Mr. Scott pointed out that Mr. Eden also has very definite views about the relation of Cambodia to the defense arrangement. Regardless of Cambodia's legal capacity to join a pact, Mr. Eden feels the entire Geneva settlement was based upon the presumption that Cambodia would not become a member of a collective security arrangement in that area. Mr. Scott made it clear that this refers to membership only and that any treaty agreed upon can still extend protection to Cambodia and perhaps provide means for concrete military assistance to Cambodia.

Mr. MacArthur said he is committed to keep the representatives of France, Thailand, and the Philippines informed of developments and also to give them a working draft of a declaration of intention. He said he would stress the fact that it has no official status and is a working paper only. He again referred to the need for agreement on the terms of a simultaneous announcement, the establishment of an informal working group, and an agreement on a place and date for a September meeting before the announcement can be issued, and urged Mr. Scott to seek further advice from London as soon as possible.

Mr. Scott agreed to pursue this matter, but pointed out that the pressure of other work (such as the Suez issue), the many problems which have arisen during the past week connected with the Parliament's adjournment tomorrow, etc., have undoubtedly affected the UK's attention to this problem. This may make it difficult to clean up all the outstanding questions in time to meet the August 7 deadline for a simultaneous announcement proposed by the US.

With respect to the proposed working group which would prepare for the ministerial meeting, Mr. Scott asked whether its functions would be limited to drafting provisions of the Treaty or whether it might perform other functions. Mr. MacArthur said the US has conceived of the working group primarily as a drafting group, but it might also afford an opportunity for a general exchange of views on an interim organizational arrangement. He said the US would appreciate any ideas which the UK may wish to contribute on this subject.

Secretary's Staff Meetings, lot 63 D 75[1]

Memorandum of Conversation, by the Director of the Executive Secretariat (Scott)

[Extract][2]

SECRET WASHINGTON, July 30, 1954.

Subject: Summary of Secretary's Staff Meeting, 9:15 A.M., Secretary's Office

. . . .

2. *S.E. Asia Pact.*

The Secretary was disturbed at the appearance of "dragging feet" on the part of Mr. Eden. Mr. MacArthur agreed that the Eden position might be seriously destructive of our efforts but felt that Eden was off base mainly on the schedule of issuing the Conference invitations. He stated that they had really not yet hit the Colombo powers and that they were holding out and working towards a chance of having Pakistan and Ceylon and even possibly Burma, joining in the Conference. The Under Secretary stated definitely that Pakistan would join if asked; that Zafrulla Khan had made this commitment to him as he boarded the airplane to leave Geneva.

Mr. MacArthur pointed out that Mr. Eden had not really had much time to devote to the SEATO problem because of his concentration on the Suez question and the resulting domestic Parliamentary crisis.

The Secretary stated that we should consider telling the British that we would drop the whole SEATO matter. They could come to us some time later if they ever decided to build strength in the area. The Secretary expressed his impatience at the continuing delay on the part of the British—that they constantly throw kicks at us and our positions for building S.E. Asia strength and the primary purpose of the whole exercise was to save Malaya. The Under Secretary disagreed with the Secretary, stating that the matter went much further than Malaya; that our own interests were involved.[3]

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[1] Chronological collections of the minutes of the Secretary of State's daily staff meetings held twice a week during the years 1952-1960, as maintained by the Executive Secretariat of the Department of State.

[2] The omitted material includes a list of persons present (19).

[3] The memorandum of a conversation held Aug. 4 between the Secretary, Ambassador Spender, and other officials reads in part as follows: "Sir Percy said that he would immediately report to his government the need to push urgently ahead on SEATO. The Secretary observed that if the SEATO plans fell through we would have ANZUS to fall back on but that Australian and U.S. defensive positions in the

Continued

Mr. MacArthur suggested that there was some merit in having the Australians and the New Zealanders put the heat on the British for early action. The Secretary felt that the Australians and New Zealanders would not in reality push. The Under Secretary said they had in the past and he felt they would in the future; that we could reduce this whole question to an absurdity by saying we were going it alone. The Secretary felt that we might actually end up going it alone unless we told them just that. It would require some drastic action such as this to bring the British to their senses after 4 months of excuse and delay piled on excuses and delays.

Mr. Drumright suggested dropping the S.E. Asia problem and working with the N.E. Asia powers. The Secretary seemed to see merit in this suggestion.

The discussion broke off without conclusion, with Mr. MacArthur pointing out that the British had not backed out of their commitment to a September 1 meeting.

. . . .

Pacific would be seriously isolated and outflanked if Malaya, Indonesia, etc. came under communist control." A handwritten notation on the source text by O'Connor indicates that the Secretary approved this memorandum. (Memorandum of conversation by Cavanaugh; 790.5/8–454)

Conference files, lot 60 D 627, CF 348

Draft Southeast Asia Collective Security Treaty [1]

SECRET
SEAP D-2

[WASHINGTON,] August 2, 1954.

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
The Parties to this Treaty,	Australia would include at the beginning of the Preamble the following clause: "Recognizing the sovereign equality of all the Parties,"	The Parties to this Treaty, Recognizing the sovereign equality of all the Parties, [The US could accept this Australian suggestion.]

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[1] A covering note by Trulock reads:

"The attached paper was prepared by Mr. Meeker, L/UNA. The first column contains the text of the U.S. draft treaty dated July 9.

"The second column contains comments of other governments.

"The third column contains the text of a draft treaty revised in the light of the comments received."

All brackets in this document are in the source text.

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
Reaffirming their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,		Reaffirming their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,
Upholding the principles of self-government and the intention earnestly to strive by every peaceful means to ensure the independence of all countries whose peoples desire and are capable of sustaining an independent existence, Desiring to strengthen the fabric of peace in the area of Southeast Asia and the Southwest Pacific, and to see sovereign rights and self-government restored to those who have been deprived of it,	The UK would like to replace these two paragraphs by the following: "Desiring to promote stability and well-being in the area of Southeast Asia and the Southwest Pacific, to strengthen the fabric of peace and to uphold the principles of democracy, individual liberty and the rule of law", New Zealand would like to replace these paragraphs by the following: "Upholding the principles of self-government and declaring their belief that eventual achievement of independence by the countries of Southeast Asia and the Southwest Pacific, and the maintenance of that independence, will strengthen the fabric of peace in the areas," Australia in addition to the UK and New Zealand would like to omit the phrase "and to the sovereign rights and self-government restored to those who have been deprived of it" and substitute, "and to promote the economic well being and development of all peoples in the area".	Desiring to promote stability and well-being in the area of Southeast Asia and the Southwest Pacific, to secure the independence of all countries whose peoples desire and are capable of sustaining an independent existence, and to uphold the principles of democracy, individual liberty and the rule of law, [The US could accept this type of revision of the two paragraphs.]

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft* [*of July 22*]
Intending to declare publicly and formally their sense of unity, so that no potential aggressor could be under the illusion that any of them stands alone in the area, and	The UK would omit this paragraph. In the discussions of the study group the UK suggested that the paragraph might be acceptable if cast in affirmative rather than negative language.	Intending to declare publicly and formally their sense of unity, so that any potential aggressor will appreciate that the Parties stand together in the area, and [The US could accept a reformulation along these lines.]
Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,		Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,
	Australia would include at the end of the Preamble a declaration along the following lines: "Having decided to establish a regional arrangement in accordance with Chapter VIII of the United Nations Charter,"	
	New Zealand believes SEATO should be linked with Article 51 of the United Nations Charter and not established as a regional arrangement under Chapter VIII.	
Therefore agree and declare as follows:	Thailand would delete the words "and declare".	Therefore agree as follows: [The US could accept this deletion.]
Article I		*Article I*
The Parties undertake, as set forth in the Charter of the United Nations to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.	Thailand proposes a comma after "Charter of the United Nations".	The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations. [Thai suggestion should be adopted.]

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft* [*of July 22*]
Article II		*Article II*
In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack, and Communist subversion and infiltration.	The UK would omit the words "and Communist subversion and infiltration" and substitute "and subversion directed from abroad". New Zealand would omit the word "Communist", and add, at the end of the article, "directed to the destruction of a free order of society in their territories". Australia would delete the words "and Communist subversion and infiltration".	In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack. Each Party recognizes that subversive activities directed from without against the territorial integrity and political stability of the other Parties would constitute a threat to the security of all of them. The Parties therefore undertake to consult together on the means by which the free institutions of the Parties may be strengthened, [The US could accept a redrafting of Article II along the above lines.]
		Article III
	New Zealand has commented, "the major omission in the Treaty seems to us the lack of reference to economic assistance and collaboration, although we are not certain whether this would be best linked specifically with SEATO or not. We understand that the Australians have made this question a central point of their approach to their thinking on SEATO and we share this view." Australia has suggested an article along the following lines:	The Parties undertake to cooperate with each other and with other like-minded states in the development of economic measures designed to promote economic stability and social well-being. [The US should propose an article along these lines.]

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
	"The Parties will encourage economic collaboration between any or all of them and will cooperate in international schemes for the economic and social development of the area of Southeast Asia and the Southwest Pacific and neighboring countries."	
Article III		*[Article IV]*
1. Each Party recognizes that an armed attack in the area of Southeast Asia and the Southwest Pacific [1] on any of the Parties, or on any states or territory which the Parties by unanimous agreement so designate, would be dangerous to its own peace and safety, and declares that it would act to meet the common danger in accordance with its constitutional processes.	The UK has stated that this commitment should not cover additional states or territories except upon request by them. New Zealand would omit coverage here of non-signatory countries, and provide for their protection by declarations or through the consultative process. Australia would insert an article stating that the Treaty does not authorize foreign forces to be sent to a country except with that country's consent. Thailand inquires whether the states or territory to be designated by unanimous agreement come within the area of Southeast Asia and the Southwest Pacific. Thailand would substitute "endanger" for "would be dangerous to", and would substitute "agrees to join in taking appropriate action" for "declares that it would act".	1. Each Party recognizes that an armed attack in the area of Southeast Asia and the Southwest Pacific on any of the Parties, or on any states or territory in the area which the Parties by unanimous agreement so designate, would endanger its own peace and safety, and agrees that it would act to meet the common danger in accordance with its constitutional processes. [The US would accept two of the Thai suggestions.]

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[1] Another text of the July 9 draft has at this point the following footnote: "The question of more definite definition is to be considered immediately." (Conference files, lot 60 D 627, CF 341, "Documentary History", tab 24)

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
2. If the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the area of Southeast Asia and the Southwest Pacific should be affected by an aggression which is not an armed attack or by any other fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measure which should be taken for the common defense and for the maintenance of peace and security in the area.	The UK believes that the area referred to in Article III of the July 9 draft needs definition, and that the geographical scope of the coverage of this article requires precise definition. The UK would omit or reconsider the words "an aggression which is not an armed attack". New Zealand would bring up Article V of the July 9 draft and place it where Article III(2) stands in that draft. New Zealand would then give Article III(2) of the July 9 draft as a new Article IV. Australia would delete the words "affected by an aggression which is not an armed attack or by any other fact or situation which might endanger the peace of the area," and substitute "threatened in any way other than by armed aggression". Australia would cast Article III(2) of the July 9 draft as a separate Article IV.	2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the area of Southeast Asia and the Southwest Pacific should be affected by an aggression which is not an armed attack or by any other fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense and for the maintenance of peace and security in the area. [The US could agree to combine Article III(2) of the July 9 draft with Article V, with the combined provision appearing as the second paragraph of Article IV.]
3. Measures taken under this Article shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.	The UK and Australia believe that the reporting called for here should not cover all the measures taken under Article III(2) of the July 9 draft. New Zealand would cast Article III(3) of the July 9 draft as a new Article V referring to action taken under both of the preceding articles. [Articles III(1) and (2), and IV, according to the New Zealand renumbering.]	[Article VI of the July 9 draft preserves the obligations of the Parties under the Charter of the United Nations, which includes their obligations under Article 51 of the Charter. Article III(3) in the July 9 draft is therefore not necessary in relation to Article III(1), and is undesirable in relation to Article III(2).]

Draft Southeast Asia Collective Security Treaty—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
Article IV The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council shall be so organized as to be able to meet at any time.	The UK would add at the end of the first sentence of this article a clause such as: "and for this purpose to establish machinery for effective cooperation including cooperation with states not Parties to this Treaty".	*Article V* The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council is empowered to arrange with states not Parties to the Treaty for cooperation in giving effect to the provisions of Article III. The Council shall be so organized as to be able to meet at any time. [The US could agree to this expansion of the article.]
Article V The Parties would consult together, whenever in the opinion of any one of them, the territorial integrity, political independence or security of any of the Parties, or the peace of the area, is endangered.	The UK would omit this article. New Zealand would place this article where Article III(2) stands in the July 9 draft.	
Article VI This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.	The UK would add: "Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty."	*Article VI* This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty. [The US would accept the UK suggestion, which is patterned on Article 8 of the North Atlantic Treaty.]

Draft Southeast Asia Collective Security Treaty—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
Article VII The Parties may by unanimous agreement invite any other State in a position to further the objective of this Treaty, and to contribute to the security of the area, to accede to this Treaty. Any State so invited may become a Party to the Treaty by depositing its instrument of accession with the Government of ———————. The Government of ——————— will inform each of the Parties of the deposit of each such instrument of accession.	The UK and Australia have suggested a separate provision on "association" with the organization of countries which do not become Parties.	*Article VII* The Parties may by unanimous agreement invite any other State in a position to further the objective of this Treaty, and to contribute to the security of the area, to accede to this Treaty. Any State so invited may become a Party to the Treaty by depositing its instrument of accession with the Government of ———————. The Government of ——————— will inform each of the Parties of the deposit of each such instrument of accession.
Article VIII This Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of ———————, which shall notify all of the other signatories of such deposit. The Treaty shall enter into force between the States which have ratified it as soon as the ratifications of a majority of the signatories shall be deposited, and shall come into effect with respect to other States on the date of the deposit of their ratifications.	The UK suggests that it may be desirable to require that certain specified signatories must ratify before the Treaty enters into force.	*Article VIII* This Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of ———————, which shall notify all of the other signatories of such deposit. The Treaty shall enter into force between the States which have ratified it as soon as the ratifications of a majority of the signatories shall be deposited, and shall come into effect with respect to other States on the date of the deposit of their ratifications.

DRAFT SOUTHEAST ASIA COLLECTIVE SECURITY TREATY—Continued

Provisions in US Draft of July 9	*Comments of Other Governments on US Draft of July 9*	*Revised Draft [of July 22]*
Article IX This Treaty shall remain in force indefinitely, but any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of ———, which will inform the Governments of the other Parties of the deposit of each notice of denunciation.	The UK and New Zealand suggest the possibility of including a provision on review of the Treaty.	*Article IX* This Treaty shall remain in force indefinitely, but any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of ———, which will inform the Governments of the other Parties of the deposit of each notice of denunciation.

794.5 MSP/8-454: Telegram

The Ambassador in Japan (Allison) to the Department of State

SECRET PRIORITY TOKYO, August 4, 1954—10 a.m.

270. Press this morning carries Washington UP dispatch stating that at August 4 news conference Secretary said, "The United States is considering possibility of a mutual security pact covering Japan, Korea, and Nationalist China, but that this idea was still in preliminary stage of investigation and no decision has been made".[1]

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[1] At the Secretary's news conference on Aug. 3, the following exchange had occurred:

"Q. Mr. Secretary, to return to the Far East again, can you tell us anything about any reconsideration on our part on relations with Nationalist China on defense arrangements?

"A. Basically the situation remains the same as it has been in that while the United States is committed in fact to assistance through the activities of its Navy and Air Force to protect Formosa and the Pescadores against Communist attack, we do not have a formal treaty of mutual security with Formosa. Thought has been given to the possibility of such a treaty or possibly even of tying together in a single association Korea, Japan and Free China. But those are all in the area of, you might say, preliminary investigation and examination. No decisions in that respect have been taken in any quarter as far as I am aware." (Department of State, "News Conferences of the Secretary", vol. XXIV, 1953-1955, under date)

Text of this exchange was transmitted in telegram 75 to Taipei, sent early the afternoon of Aug. 3, repeated to Tokyo as 215 and to Seoul as 93. (790.5/8-354)

As Embassy has pointed out previously, there is practically no possibility that Japan at present would consider joining any collective security organization. Any possibility that present Japanese government might consider such possibility is greatly prejudiced by press reports such as that quoted above which imply that decision about such pact is one purely for United States to take, and that Japan as well as other countries will then acquiesce.

Okazaki told me over weekend that Foreign Office had received information from Japanese Embassy Washington to effect that Southeast Asia Treaty Organization Conference would probably be held in Philippines in early September and that Secretary on return therefrom hoped to visit Formosa and Japan. He inquired whether I could confirm this, and all I could say was that I had no information. Embassy's 195 July 24 [2] raises this same question.

In view of continuing press stories, particularly such as that quoted above, I again urgently request as much information as possible for transmission to Japanese.[3]

ALLISON

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[2] Not printed. (790.00/7-2454)

[3] In telegram 272, sent from Tokyo at noon, Aug. 4 and received in Washington early the morning of that day (1:49 a.m., Washington time), Allison stated: "Re my 270. Department telegram 215 just received and gives considerably different picture than intimated in UP story carried prominently Tokyo press. I have sent verbatim copy of question and answer contained Department telegram 215 to Foreign Minister for his information." (794.5 MSP/8-454)

Editorial Note

In a memorandum of a conversation held August 4 with Pierre Pelletier, Second Secretary of the French Embassy, William T. Nunley, Public Affairs Adviser in the Office of European Regional Affairs, wrote:

"M. Pelletier said that his Ambassador has already expressed to the Under Secretary the French views on the relation of Laos, Cambodia and Southern Vietnam to a Southeast Asia security arrangement. The French government believes that Vietnam is definitely precluded from membership by the terms of the Geneva agreement. Membership by Laos and Cambodia, while perhaps possible on a strictly legal basis, would tend to violate the spirit of the armistice agreement and would be most unwise politically. However, he added. the French government strongly favors a security arrangement which will offer protection to these areas." (Conference files, lot 60 D 627, CF 355)

JCS files

Note to the National Security Council by the Executive Secretary (Lay)

TOP SECRET [WASHINGTON,] August 4, 1954.
NSC 5429

REVIEW OF U.S. POLICY IN THE FAR EAST

References:

A. NSC 125/2 and NSC 125/6; NSC 146/2; NSC 166/1;[1] NSC 170/1;[2] NSC 5405; [3] NSC 5409; [4] NSC 5413/1 [5]

B. NSC Action No. 256 [6]

C. NSC Action Nos. 1086-b, 1104-b and 1112 [7]

D. NSC 5416 [8]

E. Progress Report, dated July 29, 1954 by OCB on NSC 5409 [9]

F. Memo for NSC from Executive Secretary, subject, "United States Objectives and Courses of Action with Respect to Indonesia", dated July 12, 1954 transmitting a Progress Report dated July 12, 1954 by the Operations Coordinating Board on NSC 171/1 [10]

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[1] NSC 125/2 and 125/6 are both entitled "U.S. Objectives and Courses of Action With Respect to Japan," dated Aug. 7, 1952 and June 29, 1953, respectively.

NSC 146/2, dated Nov. 6, 1953, is entitled "U.S. Objectives and Courses of Action With Respect to Formosa and the Chinese National Government."

NSC 166/1, dated Nov. 6, 1953, is entitled "U.S. Policy Toward Communist China."

All of these NSC papers are printed in volume XIV.

[2] NSC 170/1, dated Nov. 20, 1953, "U.S. Objectives and Courses of Action in Korea," is printed in vol. XV, Part 2, p. 1620.

[3] NSC 5405, dated Jan. 16, p. 366.

[4] NSC 5409, dated Feb. 19, "U.S. Policy Toward South Asia," is printed in vol. XI, Part 2, p. 1089.

[5] NSC 5413/1, dated Apr. 5, "U.S. Policy Toward the Philippines," is not printed here. (S/P-NSC files, lot 61 D 167, NSC 5413/1)

[6] Adopted at the 47th meeting of the National Security Council, Oct. 20, 1949, not printed. In Action No. 256, the NSC had in part recommended to the President that, in consonance with the views of the Joint Chiefs of Staff, the United States would not, under then present or then foreseeable circumstances, provide support to the United Kingdom for the defense of Hong Kong in the event of a Communist military attack on that colony. (S/S-NSC (Miscellaneous) files, lot 66 D 95)

[7] For NSC Actions No. 1086-b and 1104-b, dated Apr. 6 and Apr. 29, respectively, included with the memoranda of NSC meetings held on those dates, see vol. XIII, Part 1, p. 1250, and Part 2, p. 1431.

For NSC Action No. 1112, see footnote 2, p. 463.

[8] Dated Apr. 10, 1954, p. 411.

[9] For text, see vol. XI, Part 2, p. 1136.

[10] Neither printed here. (S/P-NSC files, lot 62 D 1, NSC 171 Series).

G. Progress Report dated July 16, 1954 by the Operations Coordinating Board on NSC 146/2 [11]

H. Memo for NSC from Acting Executive Secretary, subject, "United States Objectives and Courses of Action with Respect to Southeast Asia", dated July 19, 1954 [12]

I. Memo for NSC from Executive Secretary, subject, "U.S. and Free World Controls over Transactions with Communist China", dated March 3, 1954 [13]

The enclosed statement of policy on the subject prepared by the NSC Planning Board is transmitted herewith for consideration by the National Security Council at its meeting on August 12, 1954. Also enclosed for Council information as annexes are: (a) a chart showing proposed assistance for the Far East programmed for FY 1954-55 (b) a supplementary explanation by FOA of Section II of the statement of policy [14] (c) a memorandum from the Legal Adviser, Department of State, to the Secretary of State on "Geneva Armistice Agreement Restrictions on Cambodia, Laos and Vietnam".[15]

The Planning Board prepared the enclosed statement of policy in the light of the outcome of the Geneva Conference and on basis of a review of (1) the current policies with respect to Japan, Formosa, Communist China, Korea, Southeast Asia, the Philippines, South Asia and Hong Kong contained in references A-C and (2) the current NSC projects relating to the Far East listed above as references D-I.

Paragraph 10 of the enclosure is intended as a response to the recommendation of the Operations Coordinating Board with respect to Thailand contained in paragraph 8 of the memorandum from the Executive Officer, OCB, transmitted by reference H. Paragraph 11 of the enclosure proposes a revision of paragraphs 19 and 21 of NSC 171/1 in response to the recommendation of the OCB contained in the first paragraph on page 3 of the reference progress report (reference F).

It is recommended that, if the Council adopts the enclosed statement of policy after resolution of the divergent proposals contained therein, it be submitted to the President with the recommendation that he approve it, direct its use as a general guide in the implementation of policies toward the Far East by all appropriate executive departments and agencies of the U.S. Government, and designate the Operations Coordinating Board as the coordinating agency. Based upon Council action on the enclosure the Planning Board will review the current NSC policies for the Far East contained in references A–C and will recommend to the Council any necessary revisions therein.

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[11] For text, see volume XIV.

[12] See footnote 1, p. 603.

[13] For text, see volume XIV.

[14] Both printed as annexes to NSC 5429/2, Aug. 20, pp. 774 and 775.

[15] For text, dated July 27, see vol. XVI, p. 1552.

JAMES S. LAY, JR.

[Here follows a table of contents.]

[Enclosure]

DRAFT

STATEMENT OF POLICY PROPOSED BY THE NATIONAL SECURITY COUNCIL ON REVIEW OF U.S. POLICY IN THE FAR EAST

PREFACE

Consequences of the Geneva Conference

Communist successes in Indochina, culminating in the agreement reached at the Geneva Conference, have produced the following significant consequences which jeopardize the security interests of the U.S. in the Far East and increase Communist strength there:

a. Regardless of the fate of South Vietnam, Laos and Cambodia, the Communists have secured possession of an advance salient in Vietnam from which military and non-military pressures can be mounted against adjacent and more remote non-Communist areas.

b. The loss of prestige in Asia suffered by the U.S. as a backer of the French and the Bao Dai Government will raise further doubts in Asia concerning U.S. leadership and the ability of the U.S. to check the further expansion of Communism in Asia. Furthermore, U.S. prestige will inescapably be associated with subsequent developments in Southeast Asia.

c. By adopting an appearance of moderation at Geneva and taking credit for the cessation of hostilities in Indochina, the Communists will be in a better position to exploit their political strategy of imputing to the United States motives of extremism, belligerency, and opposition to co-existence seeking thereby to alienate the U.S. from its allies. The Communists thus have a basis for sharply accentuating their "peace propaganda" and "peace program" in Asia in an attempt to allay fears of Communist expansionist policy and to establish closer relations with the nations of free Asia.

d. The Communists have increased their military and political prestige in Asia and their capacity for expanding Communist influence by exploiting political and economic weakness and instability in the countries of free Asia without resort to armed attack.

e. The loss of Southeast Asia would imperil retention of Japan as a key element in the off-shore island chain.

COURSES OF ACTION

[I. Communist China] *

I. *The Off-Shore Island Chain*

1. The United States must maintain the security and increase the strength of the Pacific off-shore island chain (Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand) as an element essential to U.S. security. To this end:

a. Increase the military strength of Japan and the Philippines, improve the effectiveness of existing military strength of the Republic of Korea and of Formosa, and continue participation in ANZUS.
b. Provide related economic assistance to the local governments in those cases where the agreed level of indigenous military strength is beyond the capacity of the local economy to support.
c. Encourage [the conditions which will make possible][16] the formation of, and be prepared to participate in, a Western Pacific collective defense arrangement, including the Philippines, Japan, the Republic of China, and the Republic of Korea, eventually linked with the Southeast Asia security structure and ANZUS.
d. Initiate and support appropriate measures which will contribute to strengthening the economy of Japan, its internal political stability and its ties with the free world.
e. Intensify covert and psychological actions to strengthen the orientation of these countries toward the free world.

II. *General Political and Economic Measures in the Far East*†

2. Encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible, based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the U.S. and other appropriate Western countries through which, by united action, these free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence.

3. Take all feasible measures to increase the opportunities of free Asian countries for trade with each other and with other free world countries.

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* U.S. policy toward Communist China will soon determine the fate of Asia. Accordingly, unless the U.S. is prepared at this time fully to accept the challenge of countering Communist power and influence in Asia, which derives primarily from Communist China, there is the gravest probability that the area will fall under Communist domination. Accordingly, the Defense, JCS and ODM Members believe that U.S. policy with regard to China (Section IV below) should be considered and determined first and that policy with regard to the peripheral areas should be established in light of this determination. [Footnote and brackets in the source text.]

[16] All brackets in the document are in the source text.

† See also Annex B. [Footnote in the source text.]

4. Provide technical assistance to help develop political stability and economic health.

5. [Increase and] strengthen "exchange of persons" programs with the countries concerned.

III. *Southeast Asia*

6. *General.* The U.S. must protect its position and restore its prestige in the Far East by a new initiative in Southeast Asia, where the situation must be stabilized as soon as possible to prevent further losses to Communism through (1) creeping expansion and subversion, or (2) overt aggression.

7. *Security Treaty.* Negotiate a Southeast Asia security treaty with the UK, Australia, New Zealand, France, the Philippines, Thailand and, as appropriate, other free South and Southeast Asian countries willing to participate, which would:

Alternative A	*Alternative B*
a. Involve the agreement of the participants that there should be immediate retaliation against Communist China if Communist China, directly or indirectly (such as through the Viet Minh) commits armed aggression against any free nation of Southeast Asia, including Laos, Cambodia and South Vietnam.	a. Commit each member to treat an armed attack on the agreed area as dangerous to its own peace and safety and to act to meet the common danger in accordance with its own constitutional processes.

b. Provide so far as possible a legal basis to the President, without need for further Congressional action, to attack Communist China in the event it commits such armed aggression.

c. Ensure that, in such event, other nations would be obligated to support such U.S. action.

d. Not limit U.S. freedom to use nuclear weapons, or involve a U.S. commitment for local defense or for stationing U.S. forces in Southeast Asia.

The U.S. would continue to provide limited military assistance and training missions, wherever possible, to the states of Southeast Asia in order to bolster their will to fight, to stabilize legal governments, and to assist them in controlling subversion.

8. *Action in the Event of Local Subversion*

Alternative A

Because of the strong possibility that the above-mentioned economic and military measures may not prove adequate to cope with the type of creeping expansion and subversion utilized by the Communists in Indochina, the U.S. should issue at the earliest practicable moment a declaration to the Chinese Communists that further Communist expansion on the mainland of Southeast Asia, determined by the U.S. to be directed and supported by the Government of Communist China, will not be tolerated and that its continuance would in all probability lead to the application of military power not necessarily restricted to conventional weapons against the source of the aggression (i.e., Communist China). Efforts should be made to expand the Security Treaty to include allied support for the above declaration. Failure to achieve full allied support should not, however, deter the U.S. from making such a declaration or taking action.

Alternative B

In addition to its commitments under par. 7-a, the U.S. should be prepared, either unilaterally or under the terms of the South-east Asia Security Treaty, if requested by a legitimate local government, to assist it by military force, if necessary and feasible, to defeat local Communist subversion or rebellion which does not constitute external armed attack.

. . . .

IV. *Communist China*

Alternative A

12. In order to foster free world unity and to remove concern that we will provoke a total war by accident or design, the U.S. should seek, as rapidly as feasible, to put its relations with Communist China on the same footing as those with the Soviet Union. To this end, the U.S. should:

a. Make clear to Communist China our determination to attack Communist China only if it commits armed aggression.‡

b. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries.

c. Cease to encourage or support Chinese Nationalist military action against Communist China while continuing to support the right of the Nationalists to retain Formosa.

d. Acquiesce in the entry of Communist China into the U.N. if she adheres to U.N. principles and if Formosa also remains a member.

e. Consider recognition of Communist China as the government of mainland China if she qualifies for entry into the U.N. under subparagraph d. above.

f. Bring trade restrictions into conformity with those applying to the Soviet Union.

g. Seek to impair Sino-Soviet relations by all feasible overt and covert means.

Alternative B

13. Seek to reduce, by means short of war, the relative power of Communist China in Asia:

a. (1) Make clear to Communist China our determination to attack Communist China only if it commits armed aggression.§

(2) Retaliate promptly and appropriately for any Communist Chinese violation of accepted international behavior, other than armed aggression, directly affecting U.S. security interests.

b. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries.

c. Maintain political and economic pressures against Communist China, including the existing embargo and support for Chinese Nationalist harassing actions.

d. Support the Chinese National Government on Formosa as the Government of China and the representative of China in all UN agencies.

e. Impair Sino-Soviet relations by all feasible overt and covert means.

Alternative C

14. Reduce the power of Communist China in Asia even at the risk of, but without deliberately provoking, war:

a. (1) Prevent, by force if necessary, any further expansion of Communist control in Asia through creeping expansion and subversion or through armed aggression. Make clear to the Communists U.S. determination to take action directly against the source of any such expansion.

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‡ Because the Defense Member feels that this statement is inherently impossible of being made clear to Communist China, he would like to add the words "directly or indirectly" at the end of the statement. [Footnote in the source text.]

§ Because the Defense Member feels that this statement is inherently impossible of being made clear to Communist China, he would like to add the words "directly or indirectly" at the end of the statement. [Footnote in the source text.]

(2) React with immediate positive, armed force against any belligerent Communist Chinese move.

b, c, d, e. Same as 13-b, c, d, e.

Alternative D

15. Reverse the present trend toward greater Communist Chinese power in Asia by initiating an increasingly positive policy toward Communist China designed to confront the regime with a clear likelihood of U.S. military action against China proper unless Communist China takes public action to change its belligerent support of Communist expansion. To this end:

a. Take such actions as to present Communist China with an obvious *casus belli* in the face of which the U.S., with such allied support as may exist, can by its preparatory acts and through direct secret warnings threaten military action against China and thus require China to test Soviet willingness to support China in the specific circumstances even though this involves general war.

b. Be prepared and determined to carry out the threat of military action unless China backs down on the issue involved.

c. Exploit by all means such a backing-down by Communist China to make it lose face in the Orient.

d. Prevent, by force if necessary, any further expansion of Communist control in Asia through creeping expansion and subversion or through armed aggression. Make clear to the Communists U.S. determination to take action directly against the source of any such expansion.

e. Maintain all practicable pressures on China, including covert actions, to create internal division in the regime and to intensify conflicts in Sino-Soviet relations.

f. Maintain political and economic pressures against Communist China, including the existing embargo, covert actions and support for Chinese Nationalist harassing actions.

g. Support the Chinese National Government on Formosa as the Government of China and the representative of China in all UN agencies.

h. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries, including development of Japan as a major power to counter-balance Communist China.

790.5/8-454: Telegram

The Ambassador in Pakistan (Hildreth) to the Department of State[1]

SECRET KARACHI, August 4, 1954—7 p. m.

128. Re Embassy telegram 112.[2] Summary Embassy views re Pakistan participation SEATO. With each day there are increasing indications Pakistan's inclination and willingness to join SEATO and increased willingness take initiative persuade Ceylon also join. This in face non-commital attitude Embassy and somewhat negative position Department indicated Deptel 123.[3] Embassy believes we have already reached point where it will be awkward seek discourage Pakistan participation and will become more awkward as time goes on.

In Embassy view advantages of policy which counsels Pakistan delay membership very dubious. Available information seems indicate that passage time rather than permitting winning over of India and Indonesia is hardening negative position these powers and giving opposition time in which to move. Nehru's concept of alternative SEA pact exclusively for Asian powers[4] appears portend another ACSP type arrangement with similar attitude negation and promise of frustration for United States policy. Initiative which Pakistanis seem willing take holds some promise of permitting launching of SEATO with two Colombo powers as members, which would at least seriously embarrass Nehru project.

If this sound reasoning as Embassy believes seems high time we got started.

Embassy feels obliged note that if Pakistanis take this type initiative with United States encouragement, they will expect returns in form of increased United States political, military, and economic support.[5]

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[1] Repeated for information to Colombo, Djakarta, London, New Delhi, and Rangoon.

[2] Dated Aug. 2. In this telegram the Embassy had reported learning through Major General Cawthorn, the Australian High Commissioner in Pakistan, of the interest of Acting Foreign Secretary Hilaly in SEATO, as follows: "Cawthorn said Hilaly showed great eagerness to join SEATO and Cawthorn attributed eagerness to fact GOP always regretted it has not sent troops to Korea and by missing boat was only now getting help from West and prestige it might have gotten three years ago if it had sent troops Korea. Hilaly left Cawthorn with impression he hoped Pakistan would not make same mistake again with SEATO that it had made in Korea." (790.5/8-254)

[3] In this telegram, July 30, the Department had summarized Jernegan's conversation on July 27 with the Pakistani Ambassador. (790.5/7-3054) For a memorandum of this conversation, see p. 676.

[4] In telegram 36 from Colombo, Aug. 2, repeated to Karachi and several other posts for information, Ambassador Crowe had stated: "C. C. Desai, Indian High Commissioner, told me today that Nehru is planning submit regional alliance to Colombo powers as alternative to SEATO." (790.5/8-254)

HILDRETH

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[5] In telegram 129, sent later on Aug. 4, Ambassador Hildreth reported that Prime Minister Ali had told him Pakistan would attend the SEATO meeting: "not a commitment to join but will attend to discuss what might be done." Hildreth then repeated his opinion that Pakistan would join. (790.5/8-454)

Conference files, lot 60 D 627, CF 348

Minutes of Meeting Held in the Department of State [1]

SECRET [WASHINGTON,] August 5, 1954—noon-1 p. m.

SEAP Special 2

Subject: Southeast Asia Pact

Participants:		
	The Secretary	Mr. Drumright
	The Under Secretary	Mr. Jernegan
	Mr. Murphy	Mr. Stelle
	Mr. Phleger	Mr. Nunley
	Mr. Merchant	Mr. Ogburn
	Mr. Bowie	Mr. Galloway

Status of Southeast Asia Pact

Mr. Merchant said that on July 28 we had informed the representatives of the UK, France, Australia, New Zealand, the Philippines and Thailand that we hoped simultaneous announcements could be made in the seven capitals on or about August 7, stating the intention of the governments to establish a Southeast Asia defense arrangement and stating that the Foreign Ministers would meet on September 6 for this purpose. They were given a draft text of a proposed announcement and told that we hoped that on or about August 9 an informal working group could begin work on the text of the treaty here in Washington, leaving only a few principal questions for discussion and decision by the Foreign Ministers in September. They were informed that we believed Baguio would be an appropriate meeting place; we did not think Washington or Singapore would be appropriate; however, we would be willing to meet in Honolulu if others wished or to consider other sites.

Thailand and *the Philippines* have accepted our proposals regarding site and timing.

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[1] Drafted by Trulock on Aug. 6. Trulock is not listed among the participants at the meeting.

The *Australians* have accepted, but proposed that the Foreign Ministers' meeting be postponed until September 13 and wished to make a few changes in their announcement.

The *French* have suggested postponement of an announcement until August 21. Since the cease fire will not be in full effect in Cambodia until August 7 and in Viet Nam until August 11, they feel that an announcement prior to the latter date might be considered provocative by the other side. They also wish to "water down" the announcement somewhat. Mr. Merchant said that he told the French that we would consider their proposals but were disappointed at the prospects of additional delay. He asked them if they would be willing to proceed with the working group before the announcement if the latter were postponed beyond August 11. The French are querying Paris on this point.

UK—Mr. Merchant said he had just talked with Mr. Scott of the British Embassy regarding the Colombo Powers. The UK has received a negative answer from India, an affirmative one from Pakistan, and an indefinite reply from Ceylon. No formal replies have yet been received from Burma and Indonesia, but they are known to be negative. The Embassy here still has no further instructions regarding timing and the form of announcement. Presumably a UK position on these questions will be forthcoming only after all replies from the Colombo Powers have been received.[2] The other difficulty with the British is that they prefer invitations issued by the US and UK rather than simultaneous announcements.

It was generally agreed, since August 7 was only two days away, there would be some slippage in our target date for the announcement. General Smith said August 15 was perhaps the earliest date we could expect. He said that he would try to get agreement from the Australians and New Zealanders that the announcement would be made not later than August 15. In order to avoid additional loss of time, Mr. Merchant said that he would plan to hold next week another round of bilateral discussions on our working draft II [3] of the treaty text.

As to the date of the Foreign Ministers' meeting, Mr. Merchant pointed out that it could not be held much later than the second week in September since it would be necessary for the Secretary to attend the opening of the UN General Assembly on September 21. It was generally agreed that the Australian proposal of September 13 would be acceptable, but that we should try to hold to the September 6 date. Mr. Merchant said that Eden would probably agree to a short Foreign Ministers' meeting to "wrap up" the treaty, since there seemed to be no support for the UK position among the other participants.

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[2] Eden had sent another message to the Prime Ministers of India, Ceylon, Pakistan, Burma, and Indonesia on July 30. Prime Minister Ali replied on Aug. 2, and Prime Ministers Nehru and U Nu replied on Aug. 4. Representatives of the British Embassy gave copies of all four documents to officials of the Department by Aug. 6. (790.5/8–654) Sir John Kotelewala's first reply is included in SEAP D–3 dated Aug. 6. His reply dated Aug. 10, in which he stated that Ceylon would not participate in the proposed conference, is attached to SEAP D–3/1, Aug. 12. (Both in Conference files, lot 60 D 627, CF 348)

[3] *Infra.*

Tactics regarding the Colombo Powers [4]

It was agreed that, since Pakistan has given an affirmative reply [5] to the British invitation to participate in the meeting on the Southeast Asia Pact, and since Ceylon is the only other Colombo Power which is likely to join, we should instruct Minister Crowe to urge Ceylonese participation. However, we would not be willing to transfer the site of the conference to Ceylon in an effort to bring them in (Crowe has already been informed that we have told other prospective members including the Philippines that we felt Baguio would be an appropriate site.) [6]

Philippine request for Philippine-US Council Meeting [7]

It was generally agreed that the Filipino request for a council meeting under the terms of our mutual defense treaty with them should be met if at all possible. It was suggested that the request might be met if the Secretary could arrive in the area for discussions with them one or two days prior to the SEAP meeting in Baguio.

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[4] A typewritten marginal note on the source text next to this paragraph reads: "Action: Mr. Jernegan".

[5] Pakistani adherence was among the topics discussed by the Secretary and Ambassador Spender in the conversation cited in footnote 3, p. 685.

"Sir Percy then mentioned Pakistan and said that his government has the firm view that Pakistan will join SEATO and that there should be nothing dilatory about admitting her. The Secretary said he had not thought the British formal invitation to the five Colombo powers was a good idea but that he did not disagree with the Ambassador as to admittance once the invitation was accepted. He added, however, that he was not sure that East and West Pakistan could or should be included in a defense line. The Ambassador readily agreed, saying that the defense line was entirely another matter."

[6] In telegram 113 from Karachi, Aug. 3, Ambassador Hildreth reported that the Pakistani Foreign Minister, Zafrullah Khan, believed that if the Pakistani Government should suggest to Prime Minister Kotelewala of Ceylon that the SEATO discussion meeting be held at Colombo, the chance of Ceylonese adherence to a Southeast Asia defense treaty would increase. (790.5/8-354)

Telegram 39 to Colombo, Aug. 5, contains instruction along the lines indicated here. (790.5/8-454)

[7] A typewritten marginal note on the source text next to this paragraph reads: "Action: Mr. Drumright."

Philippine Recognition of Laos and Cambodia [8]

It was agreed that Mr. Drumright should instruct Spruance to see Magsaysay and express in strongest terms our concern over the Philippine delay in recognizing Laos and Cambodia.

Revised Text of the SEA Treaty

The Secretary went over the revised text of the draft of the Southeast Asia Treaty and, after a few revisions, authorized Mr. Merchant to conduct a third round of bilateral discussions with the other six powers regarding the text.

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[8] A typewritten marginal note on the source text next to this paragraph reads: "Action: Mr. Drumright."

Conference files, lot 60 D 627, CF 348

Revised United States Working Draft of Security Treaty [1]

SECRET [WASHINGTON,] August 5, 1954.

SEAP D-2/1

SOUTHEAST ASIA COLLECTIVE SECURITY TREATY

The Parties to this Treaty,

Recognizing the sovereign equality of all the Parties,

Reaffirming their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,

Desiring to promote stability and well-being in the area of Southeast Asia and the Southwest Pacific, to strengthen the fabric of peace and to uphold the principles of democracy, individual liberty and the rule of law, and to promote the economic well-being and development of all peoples in the area.

Intending to declare publicly and formally their sense of unity, so that any potential aggressor will appreciate that the Parties stand together in the area, and

Desiring further to coordinate their efforts for collective defense for the preservation of peace and security.

Therefore agree as follows:

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[1] A covering note by Trulock reads: "The attached draft security treaty was revised following its consideration in a meeting in the Secretary's office at noon today."

Copies of this draft were distributed on Aug. 6 to the United Kingdom, France, the Philippines, Thailand, Australia, and New Zealand.

ARTICLE I

[Here follows text of the remainder of this draft which is identical to text of the revised draft of July 22, page 686.]

Editorial Note

A third meeting in 1954 of the ANZUS Council Deputies was held in Washington on the afternoon of August 5. Under Secretary Smith led the United States participants; Ambassadors Spender and Munro led the Australian and New Zealand participants. Procedural questions relating to the formation of SEATO occupied most of the discussion. United States minutes of the meeting, drafted by Foster, are in Conference files, lot 60 D 627, CF 355.

790.5/8-554

The Embassy of New Zealand to the Department of State [1]

SECRET

The New Zealand Government have been giving consideration to the relationship of Japan, South Korea and Formosa to any defence organisation that may be set up in the Pacific area.

While the position of the United States Administration in relation to this question is fully appreciated, as are the military arguments that may be brought forward for the inclusion of some or all of these countries in some form of collective defence arrangement for the Pacific area, neither New Zealand public opinion nor the Government's appreciation of the political problems involved is likely to lead New Zealand to agree to the association of any of the three countries in SEATO.

In the Government's view, although SEATO should obviously aim at building up military strength as soon as possible, it should have as its other important objects (a) to give public and formal warning to the Communists of the consequences of further aggression, either overt or indirect, against South East Asia, and to strengthen the resolve of the Asian countries in the front line, and (b) to provide a framework within which might be given the military and economic aid that is needed to strengthen the Asian countries internally.

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[1] Handed to the Under Secretary by Ambassador Munro on Aug. 5. On the source text, which is apparently a copy of the original, a title, "SEATO", has been typed and then crossed out by hand.

The New Zealand Government feel that the Communist powers are likely to be deterred from overt aggression in South East Asia more by the possibility of direct retaliation against themselves than by any resistance that could be made by the SEATO powers in the area of attack itself. In the immediate future, the greater threat to South East Asia seems likely to be one of political pressure and subversion, and the New Zealand Government see no overriding military need at this time to have substantial Formosan or Korean forces in SEATO.

Moreover, from the political standpoint, any such move would be unwise and unfortunate. Above all, if a contribution to South East Asian defence were to be sought from Japan, the reaction might well be damaging not only from the point of view of the Colombo countries but also from that of the Philippines, even assuming that public opinion in New Zealand and Australia could be induced to swallow it.

The New Zealand Government has also given consideration to the question of the establishment of a new collective defence arrangement for South East Asia. They feel, however, that the problem of security in South East Asia, the Far East and the Western Pacific generally is indivisible. The threat to the area is a common one, and they therefore doubt the wisdom of creating a separate security system for the North Pacific. They have also taken into account the two practical considerations that (a) Japan's present lack of armed strength would for some time to come prevent her from playing an effective part in any new security arrangements for the Pacific area, and (b) there already exist bilateral security treaties between the United States and Japan and South Korea.

The New Zealand Government feel, therefore, that it would be wise to proceed with the formation of SEATO on the present basis, deferring any consideration of proposals to add Japan until a more appropriate time. In any case, having regard to the terms of the Sino-Soviet Treaty, the inclusion of Japan in SEATO would certainly be regarded by the Communists as provocative. The New Zealand Government recognise that there might eventually be achieved in the Pacific an overall collective defence arrangement which, in conjunction with NATO, would conduce to the achievement of an agreed allied global strategy.

For the present, however, the New Zealand Government has been pleased to learn from the Department of State that there is no immediate likelihood that requests for the inclusion of Japan and South Korea and Nationalist China in SEATO will be made. The Government agree entirely that SEATO should not be a closed body, and that provision should be made for additional members later.

The New Zealand Government wish to make it clear, however, that in the immediate future New Zealand does not favour the inclusion of South Korea and Formosa nor is it likely to be able to consider the entry of Japan. The Government consider that, in the meantime, the position of the Japanese and South Koreans might be met to a greater extent by the inclusion in the SEATO Treaty of provision for a consultative association, similar to that of Article VIII of the ANZUS Treaty which reads as follows:

> "Pending the development of a more comprhensive system of regional security in the Pacific area and the development by the United Nations of more effective means to maintain international peace and security, the Council, established by Article VII, is authorised to maintain a consultative relationship with states, regional organisations, associations of states or other authorities in the Pacific area in a position to further the purposes of this Treaty and to contribute to the security of that area."

In any case, any cooperation which may be necessary between SEATO and Japan and South Korea could presumably be ensured through the United States as a member of SEATO and a partner in bilateral security treaties with those countries.

5 AUGUST 1954.

694.95B/8-554: Telegram

The Secretary of State to the Embassy in Japan [1]

CONFIDENTIAL WASHINGTON, August 5, 1954—7:09 p.m.

239. For Ambassador from Secretary. I do not have any present plans for promoting a security pact which would draw together Japan, ROK, Formosa, the USA and perhaps the Philippines, although I regard this as an ultimate possibility.[2] However at the moment the important business is to create in the area a sense of interdependence. The President and I have gone very far to im-

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[1] Drafted by Dulles personally.

[2] In a draft dated Aug. 4, Dulles had written this sentence as follows: "I do not have any present plans for promoting a security pact which would draw together Japan, ROK, Formosa, the USA and perhaps the Philippines. I do not exclude this as an ultimate possibility."

In a memorandum to the Secretary dated Aug. 5, Drumright wrote:

"I would like to suggest a slightly more positive ending to the first sentence of your proposed message to Mr. Allison. I suggest this because our conversations with the Japanese Ambassador here during the past few days lead us to believe that the Japanese are interested in a collective security pact and, with some active encouragement from us, might be prepared to take steps to participate in some workable arrangement. Therefore, it might be advisable for Allison not to be too negative in discussing the matter with the Japanese Government." (Draft telegram as revised by Drumright is attached to memorandum; 794.5 MSP/8-454) press Rhee and his advisers on this point, emphasizing that it is imperative to have good relations between Japan and Korea. It is because of this aspect of the matter that I did not want to give a totally negative reply to the question which I got at my press conference, as if I indicated that there is no interdependence between these countries, that would encourage Rhee to take an isolationist line.

DULLES

790.5/8-754

Memorandum of Conversation, by William J. Galloway, Special Assistant to the Counselor of the Department of State

CONFIDENTIAL [WASHINGTON, August 7, 1954.]

Subject: U.K. Views on Procedures in Connection with SEA Pact.

Participants: Mr. Joy, First Secretary—British Embassy
Mr. Galloway—C
Mr. Nunley—RA

This morning, Mr. Joy gave me the following information based on telegrams just received from London:

Mr. Eden agreed that there was no need for formal invitations to be issued to the interested Governments in connection with the meeting on the SEA Pact. He accepted the U.S. proposal that those Governments sending representatives to the meeting would make simultaneous announcements in advance. In this connection, Pakistan should be free to make an announcement in terms which would make clear that there was no commitment on the part of the Government of Pakistan to do anything other than attend the meeting.

The U.K. agreed with the point of view expressed by the French that the simultaneous announcements by the Governments should not be made earlier than August 11, which was the final date of the entry into force of some of the ceasefire provisions in Vietnam.

The U.K. was definitely opposed to convening an informal working group in Washington. It was felt that this would be bad in the eyes of Asian opinion and that it would be best if this whole project did not bear the stamp of U.S. initiative. The U.K. would not make known its final views in regard to the convening of a working group, however, until it had been able to consult further with the Government of Pakistan.

In regard to the location for the meeting of Foreign Ministers, Mr. Eden thought that Bangkok and Singapore would not be appropriate. If Ceylon should decide to participate in the meeting, Mr.

Eden thought that some place in Ceylon would be appropriate for the meeting. If the meeting were not held in Ceylon, Mr. Eden thought either the Philippines or Australia would be appropriate.

If provision were made for the drafting of the Treaty to be largely completed by a working group, and if the Ministers were to meet only for three or four days to finalize the work, Mr. Eden would agree to attend the proposed meeting.

790.5/8-954: Telegram

The Ambassador in India (Allen) to the Department of State [1]

SECRET NEW DELHI, August 9, 1954—8 p.m.

194. I called on Prime Minister Nehru today to present Kennedy [2] and to say farewell before my departure on home leave tonight.

In a 45 minute talk he made abundantly clear, if his statements in response to my questions can be accepted at face value, that he is strongly opposed to any collective security pact involving this area, even if it were confined to the Colombo powers or to any four or three or two of them. He flatly (though calmly and pleasantly) turned his back on anything involving military commitments because, first, he thought it unnecessary since no one threatened this area, and secondly because he disliked military approach in principle. He thought pacts involving military commitments lead to less security because they increased tensions on both sides. He felt confident that best way to reduce chances of war would be for nations outside Communist bloc to accept Peking's assurances of non-aggression as bona fide and to convince Peking that no effort would be made to overthrow regime or invade Chinese mainland. He said projects like SEATO merely caused Communist bloc to join together more closely.

I recalled basic reasons for our adoption of collective security policy, pointing out that if NATO had existed, we believed World War II might have been avoided. I said Chinese expansionism in Korea and Indochina during past four years had created need for extending collective security to Pacific area. He had spoken of desire of Peking for assurances. I asked whether he did not agree that we had reason, from actual experience, to want some assurance ourselves regarding Peking's peaceful intention. He had referred to SEATO as undesirable initiative on our part. Did he not think Communist bloc had long ago become closely knit collective security group? Could not present effort of free world to develop collective security system be traced to initiative already taken by other side?

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[1] Repeated for information to Colombo, Karachi, London, and Rangoon.

[2] Donald D. Kennedy, Counselor of Embassy with the personal rank of Minister, served as Chargé in Allen's absence.

He agreed that situation in Europe might have called for some reaction but difficulty was that each military step by one side was answered by similar step by other, with always increasing tensions. Need was to relax tensions, and best way to do so was for free world to take different approach. This would lead to "collective peace".

I said for sake of argument suppose everybody, including Syngman Rhee and Vietnam nationalists, agreed with US that no military effort would be made to upset present *status quo* in Korea and Indochina, and suppose we convinced Peking that we would neither invade mainland nor try to overthrow regime, what assurances could we expect from Peking in return? Would Peking say it would not invade Formosa, for example? I referred to statement last week by Ho Chi Minh calling for "further tightening of our brotherhood with people of Laos and Cambodia and consolidation of great friendship between Vietnam and Soviet Union and Peoples Republic of China". Nehru said he had not heard of this statement. I asked him to send for a local paper in which I had seen it today. He did so, read the statement carefully, and said he could not be certain Ho was making anything more than a friendly appeal in contemplation of elections.

I asked whether he thought there was any danger that nations of this area might fall one by one if each adopted his policy of no military commitment. He said he did not think so because he was convinced China had no aggressive intentions and desired peace to work out own problems. He agreed that sense of security was important for any country, to enable people to give attention to economic and social matters, but problem was to decide what policy would produce more rather than less feeling of security. I said Burma today had no assurance that anyone would come to its aid if its northern border was crossed. He said any assurance to Burma would obviously be directed against China and this would increase Peking's feeling of insecurity and consequently its belligerent attitude. He was confident that outright Chinese aggression against Burma would in fact lead to World War without any specific commitment and he believed Peking was already well aware of this fact.

Nehru said collective peace was needed to establish some kind of *status quo* in Pacific. He himself had never been supporter of complete *status quo* but he thought no major upset in present situation should be attempted. When he said he did not support complete *status quo* I smiled and said he did not seem to support *status quo* in Goa, for example. He recovered after a second, smiled and resumed.

Comment: It now seems abundantly clear that Chou En-lai "sold" Nehru that Peking has no aggressive designs at least for a decade or so.[3] Canadian HICOMer Escott Reid who is generally inclined to go along with GOI and who reported following Chou visit that Nehru had not swallowed Chou's line entirely, told me yesterday he had recently had long talk with Nehru and had been "shocked" at extent to which Nehru seemed to place full confidence in Peking's good intentions.

Only extenuation I can suggest for Nehru's apparent blind faith in Red China may be that he is deliberately trying to offset what he regards as US aggressive intentions against Peking and our over-emphasis on military security. It is possible that if he becomes convinced, through experience in Indochina, that Viet Minh have aggressive intentions against Laos and Cambodia, he may become somewhat less active in his opposition to collective security arrangements covering this area. Under existing circumstances, I can only report that I was wrong when I expressed opinion to Senate Foreign Relations Committee in April that I thought Nehru might join security pact if Colombo powers took initiative and were not faced by decisions made in Washington or London. Unless and until Nehru comes to doubt Peking's good faith, he is not likely to give a military assurance even to Burma.

British authorities still hope Nehru can gradually be brought to commit India to some kind of collective action. They are following toe-in-water tactics, trying to get him gradually committed by indirection, and perhaps even against his will, just as British now admit they tried to get US to abandon neutral attitude during late 30's, and which it claims was successful.

ALLEN

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[3] Premier Chou had conferred with Nehru during a visit to New Delhi, June 25-28, 1954.

Editorial Note

A fourth meeting in 1954 of the ANZUS Council Deputies was held in Washington on August 10. The participants of the three powers were led by Under Secretary Smith and Ambassadors Spender and Munro. Sir Robert Scott and Joy attended the meeting as "informal observers" for the United Kingdom. The discussion centered on procedural matters relating to the proposed Southeast Asia Collective Defense Treaty. United States minutes of the meeting, drafted by Foster, are in Conference files, lot 60 D 627, CF 355.

S/S-NSC files, lot 63 D 351, NSC 5429 Series

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State

TOP SECRET [WASHINGTON,] August 10, 1954.

Subject: NSC 5429—Review of U.S. Policy in the Far East [1]

This paper represents the Planning Board's response to a directive from the President to prepare, before his departure from Washington, a review of the main features of our Far Eastern policy in the light of the outcome of the Geneva Conference. While hastily executed, the paper meets our present outstanding requirements by authorizing:

1. Our encouragement of an organization for Asian economic development;
2. The negotiation of a Southeast Asian Security Treaty;
3. Necessary courses of action to strengthen Laos, Cambodia, and South Vietnam against Communist pressures.

The following recommendations are made with respect to alternative passages offered in the paper:

Page 3, paragraph 1(c). The bracketed phrase should be retained as recognizing the formidable political difficulties that must be surmounted before the proposed collective defense arrangement can be brought into being.

Page 5, paragraph 7. Alternative B should be adopted. The UK and other potential signatories would accept the commitment contained in this alternative and would be more likely to agree to the actions called for in Alternative A at a time when such actions would be necessary than they would be to subscribe to Alternative A at the present time.

Page 6, paragraph 8. Alternative B should be adopted. Alternative A would involve the U.S. in indeterminate commitments in which it would receive little support from its allies.

Page 7, paragraph 9(g). Neither of the alternatives suggested is entirely acceptable. It is recommended that you propose the following language in place of them:

> "While recognizing that North Vietnam will probably pass completely under the control of the Communist bloc, and the necessity, therefore, of conditioning our policies and activities according to that assumption, exploit every opportunity which is presented in North Vietnam to make more difficult the absorption of the area by the Communists; in that connection

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[1] Dated Aug. 4, p. 696.

maintain maximum flexibility of U.S. policies which affect North Vietnam until the Haiphong enclave is completely taken over by the Communists."

Page 8, paragraph 10(d). Alternative A, which would be harmless if carried out in a good spirit, is to be preferred. We should not at this stage give the Thai government the option of having U.S. troops stationed in Thailand.

Page 9. Section IV presents four alternative courses of action of progressive stiffness with respect to Communist China. There would, however, appear to be no good reason for substituting any of them for our present policy with respect to Communist China as set forth in NSC 166/1, which is considered adequate to the post-Geneva situation. It would be preferable for the NSC to reject this section of the paper, which would leave NSC 166/1 as the governing directive.

Note: Paragraph e on page 2 is out of place since its subject is not one of the "significant consequences" of Communist successes in Indochina which are enumerated in this paragraph. It should probably be deleted.

Subject to the qualifications set forth above, it is recommended that you approve the adoption of NSC 5429 as a provisional directive pending an opportunity for an adequate review of the changed situation in the Far East and of the policies required to meet it.

WALTER S. ROBERTSON

Conference files, lot 60 D 627, CF 348

Memorandum by Walter Trulock of the Reports and Operations Staff

SECRET [WASHINGTON,] August 11, 1954.

SEAP D-2/2

UK COMMENTS ON THE REVISED TREATY TEXT[1]

Attached is a paper outlining the substance of the comments made by the British Embassy yesterday with respect to the draft Southeast Asia Collective Security Treaty (SEAP D-2/1).

WALTER TRULOCK

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[1] Apparently a reference to the draft dated Aug. 5, p. 708.

[Attachment]

The following is the substance of comments made by the U.K. Embassy in regard to the draft Southeast Asia Collective Security Treaty:

In regard to Article III, the U.K. Government believes that the text should be expanded to include specifically provisions for technical and cultural cooperation among the parties.

As regards paragraph two of Article IV, the U.K. Government believes it is too narrowly drafted and they are not clear exactly what is contemplated by the words, "any party". The U.K. Government suggests that the article should be widened

> (a) to cover any State or Territory designated under paragraph one, even though they are not parties to the Treaty, and
>
> (b) by including after the words "shall consult immediately" the following: "together and with the Governments or authorities in any State or Territory so designated".

In regard to Article V, the U.K. believes that the second sentence really contains an important and separate idea. They suggest that it should be deleted and that there should be a new Article VI on the following lines:

> "The parties recognize that for the purposes of Article III of this Treaty, a wider association of States may be desirable. With this object the Council is empowered to arrange for cooperation with States or Territories not parties to this Treaty for the promotion of economic stability and social well-being in the area".
>
> (The actual wording of the latter part of this draft will depend on the final form of Article III.)

611.90/8-1154

Memorandum by the Regional Planning Adviser in the Bureau of Far Eastern Affairs (Ogburn) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)

TOP SECRET [WASHINGTON,] August 11, 1954.

Subject: NSC 5429 [1]

If you can find time, I think you might wish to read the attached memoranda [2] from Mr. Young, Mr. Day, and Mr. Landon on NSC

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[1] Dated Aug. 4, p. 696.

[2] Memorandum from Young to Ogburn, Aug. 6 (611.90/8-654); memorandum from Day to Ogburn, Aug. 6 (611.90/8-654); memorandum from Landon to Day, Aug. 10 (611.90/8-1054).

The opening paragraph of Day's memorandum reads:

Continued

5429, "Review of U.S. Policy in the Far East" since the views they express give an idea of the thinking of your staff on the problems we face in the Far East.

I think the dissatisfaction they express with the paper is significant particularly since we must assume that the paper is the best the Planning Board could produce in a period of about two weeks. You will note that Mr. Landon writes:

> "I have read hastily the above document and am deeply disturbed to think that so inadequate a treatment of U.S. policy could be put forward seriously as solution of the many problems facing us in the Far East." [3]

and that Mr. Young writes:

> "This is the worst hodge-podge that has ever been submitted to the President and the Council in my span of five years' experience with NSC papers." [4]

I am not far behind them in my feelings about the paper.

"I question the necessity of this paper. No document reflecting disagreements and absence of due deliberation is likely to help determine the specific courses of action to be taken between now and the time it would require to complete a careful review and arrive at decisions based on the careful weighing which their importance requires."

[3] Landon stated also: "The paper divides the world in two but is not clear as to where the borders are in Asia. I would like to see placed in focus the interests of India, China, USSR, Japan, the U.S., the U.K., and others with an estimate of the stresses and strains of their national interests as they affect favorably or adversely U.S. policy objectives."

[4] In his memorandum, Young also stated that if it was necessary to have a policy review at the time, it would be better to remove Part IV from the paper and make it the subject of "objective consideration" by a "special task force". "The parts of the paper not dealing with Communist China are either a reaffirmation of existing policy or additional authorization for courses of action which are urgently required regardless, in my view, of the ultimate decision on Communist China. . . . With respect to Communist China, I would make the general observation that a really effective well-considered, comprehensive and objective review of Far East policy centering on Communist China is needed. . . . At the present time, I certainly am in no position to select among the four alternatives [in Part IV]."

S/P-NSC files, lot 62 D 1

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

TOP SECRET

WASHINGTON, 11 August 1954.

Subject: Review of U.S. Policy in the Far East—NSC 5429

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[1] Attached to a covering memorandum dated Aug. 13 from Lay to the NSC Planning Board.

1. The Joint Chiefs of Staff submit herewith their views with respect to a draft statement of policy prepared by the National Security Council Planning Board titled "Review of U.S. Policy in the Far East" (NSC 5429), which is scheduled for consideration by the National Security Council at its meeting on 12 August 1954.

2. In their memorandum for you dated 9 April 1954, subject "U.S. Strategy for Developing a Position of Military Strength in the Far East (NSC Action No. 1029-b)",[2] the Joint Chiefs of Staff recommended that the United States formulate a comprehensive policy in which the Far East is viewed as a strategic entity and which would provide definitive direction for the development of a position of military strength in the Far East. NSC 5429 lacks a statement of United States objectives with respect to the area as a whole and broad courses of action for the achievement of such objectives, and hence does not constitute a comprehensive statement of policy as envisaged by the Joint Chiefs of Staff.

3. Accordingly, the Joint Chiefs of Staff recommend that NSC 5429 be returned to the Planning Board with appropriate guidance for derivation and exposition of U.S. objectives in the Far East and delineation of broad courses of action directed toward their attainment.

4. Specific comments of the Chief of Naval Operations, the Chief of Staff, U.S. Air Force and the Commandant of the Marine Corps [3] on the material included in NSC 5429 follow:

"a. We concur in the view of the Defense, JCS, and ODM Members of the Planning Board, contained in the footnote on page 3 of the draft, [4] that U.S. policy with regard to China should be considered and determined first, and that the policy with regard to the peripheral areas should be established in light of this determination. We recommend, therefore, that when NSC 5429 is prepared in final form, Section IV, Communist China, be brought forward and redesignated Section I. However, for convenient reference, we have addressed our comments to the sections of the paper in their present order.

"b. The following detailed comments are addressed to the bracketed phrases and alternative courses of action set forth in the draft statement of policy, as well as to amendments and additions which are deemed desirable. (Changes are indicated in the usual manner.)

"(1) *Page 3, subparagraph 1c and page 4, paragraph 5.* No preference is expressed with respect to including or omitting the bracketed phraseology.

"(2) *Page 5, subparagraph 7a.* Alternative A is favored.

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[2] NSC 5416. See the attachment to the memorandum from Secretary Wilson to Lay, Apr. 10, p. 412.

[3] Gen. Lemuel C. Shepherd, Jr.

[4] Reference is to footnote *, p. 699.

Reason: It is considered that the treaty should provide for the prompt and positive application of retaliatory measures against Communist China if it is determined that Communist China is a source of armed aggression, either direct or indirect. Any more limited provision would not constitute an adequate response to the aggression.

"(3) *Page 6, paragraph 8.* Alternative B is considered preferable.

"(4) *Page 7, subparagraph 9f.* Amend to read as follows:

" 'f. Continue to exploit opportunities to further U.S. long-range objectives toward uniting Vietnam under a democratic form of government.'

"(5) *Page 7, subparagraph 9g.* Delete both alternatives.

Reason: In light of subparagraph 9f, a further statement on this subject is considered unnecessary.

"(6) *Page 8, subparagraph 10d.* Stationing of token forces in or around Thailand is not favored. Accordingly, it is recommended that Alternative B be rejected. While there is no objection to Alternative A, the necessity for its inclusion in a statement of policy with respect to Thailand is not apparent, since the visits of United States forces to friendly countries is a routine and well-established custom.

"(7) *Pages 9 through 11, paragraphs 12, 13, 14, and 15.* Among the four statements of alternative courses of action with respect to Communist China adoption of Alternative C (paragraph 14), amended to read as follows, is favored:

" '14. Reduce the relative power of Communist China in Asia even at the risk of, but without deliberately provoking, war:

" 'a. (1) React with forces, if necessary and advantageous, to expansion and subversion recognizable as such, supported and supplied by Communist China.

" '(2) React with immediate, positive, armed force against any belligerent move by Communist China.

" 'b. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries, including the progressive development of the military strength of Japan, to the point where she can provide for her own national defense and, in time, contribute to the collective defense of the Far East.

" 'c, d, and e. Same as 13 c, d, and e.'

Reasons: (1) Alternatives A and B would provide that the United States resort to armed action only in the event that Communist China itself committed armed aggression. Such a policy would be inadequate to cope with indirect aggression which experience indicates will be the most probable form of Chinese Communist aggression in the general area of Southeast Asia in the near future. It should be the objective of United States policy to block the further expansion of Communist China regardless of the methods by which such expansion is attempted.

(2) The proposed policy contained in Alternative D is considered to be extreme. It could hardly be expected that such a policy would receive the support of our major Allies. If adopted, it would require that the United States, in common prudence, now embark upon a major expansion of military forces, and take such other steps as are necessary to place the United States in a position to conduct large-scale military actions in the Far East. In short, the proposed policy is considered to be provocative and one which inherently would greatly increase the risk of general war.

(3) The objective set forth in Alternative C, as amended above, is consistent with previously expressed views of the Joint Chiefs of Staff. It states a definite goal and provides for a positive approach to the problem of reducing the threat of further Chinese Communist expansion in Asia. It would provide the basis for action against indirect aggression which is lacking in both Alternatives A and B, while avoiding the more extreme measures, with their greatly enhanced risks, contained in Alternative D. Within the context of broader policies with respect to the world-wide threat of Soviet Communism, the steady and consistent application of the courses of action set forth in this alternative hold promise of achieving results advantageous to the security position of the Free World."

5. The comments of the Chief of Staff, U.S. Army on NSC 5429 follow:

"a. NSC 5429 addresses itself specifically to only the most fundamental aspects of the problem in the Far East, namely: the offshore island chain; general political and economic measures in the Far East; negotiation of a Southeast Asia security treaty; action in the event of local subversion; policy with respect to Indochina, Thailand, Indonesia and Communist China. It is not a comprehensive review of the entire problem.

"b. Moreover, the problem confronting us in the Far East cannot be stated, except in relation to and as an element in a United States foreign policy of global scope.

"c. While I do not suggest just what such global policy should be, it seems axiomatic to me that one principal objective therein should be to split Communist China from the Soviet Bloc. Quite aside from the great moral issue involved in the deliberate precipitation of general war the converse of this thesis is equally applicable. From the purely military point of view we must not, by our own act, deliberately provoke war against the combined power of the Soviet Bloc and Communist China, since to do so would be to choose a war against the most potentially powerful enemy coalition with a strong probability of losing the active support of some of our present Allies. This situation would have the most dangerous possible military consequences. We may well find ourselves in such a war, but it should not be our choice without having first, taken every feasible step to increase our readiness to meet an explosion into general war, and second, having mapped out and begun an approach to the objective stated above.

"d. The execution of no one of the four alternative courses of action with respect to Communist China would properly serve U.S. long-range interests, nor discharge the responsibility which the American people have to mankind for leadership of the Free World. There are elements in each of these courses, which combined, could constitute a preferable and proper course of action. We do not have either to appease Communist China (Alternative 'A') or to destroy it (Alternative 'D').

"e. In deciding upon a course of action, the first and basic need, which I think NSC 162/2 [5] does not meet, is for a statement in a single document of a U.S. foreign policy on a global basis, with the principal objectives listed. Assuming that one of these would be the one stated in paragraph c above, it does not follow that its attainment requires the destruction of the military power of Communist China. In fact, I would regard the destruction of such military power as inimical to the long-range interests of the U.S. It would result in the creation of a power vacuum into which but one other nation could move, namely Soviet Russia.

"f. If then we accept the objective of splitting Red China and the USSR, the statesmanlike approach would seem to be to bring Red China to a realization that its long-range benefits derive from friendliness with America, not with the USSR, which casts acquisitive eyes on its territory and resources; that these benefits could reasonably be expected *in time*, if Red China would mend its ways, abjure its offensively aggressive actions toward the West, and take steps to remove the stigma of 'aggressor' with which it is now branded. The adoption of such a course of action and the employment of such measures dictate the necessity of the prompt strengthening of our military capabilities in order that American diplomacy may have that essential military support without which it cannot hope to succeed."

For the Joint Chiefs of Staff:
N. F. TWINING
Chief of Staff
United States Air Force

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[5] Entitled "Basic National Security Policy", dated Oct. 30, 1953; see volume II.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 210th Meeting of the National Security Council Held on Thursday, August 12, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at this meeting were The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Acting Secretary of the Treasury; the Secretary of Commerce (for Item 1); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 4); the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force (for Items 5 and 6); General Twining for the Chairman, Joint Chiefs of Staff, the Chief of Staff, U.S. Army, Vice Admiral Gardner for the Chief of Naval Operations, and General Pate for the Commandant, U.S. Marine Corps (for Items 5 and 6); Robert R. Bowie, Department of State (for Items 1, 2 and 3); Marshall Smith, Department of Commerce (for Item 1); Walter S. Delany, Foreign Operations Administration (for Item 1); the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; the Executive Secretary, NSC; and the Coordinator, NSC Planning Board Assistants.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

6. *Review of U.S. Policy in the Far East* (NSC 5429; Memo for NSC from Acting Executive Secretary, subject: "United States Objectives and Courses of Action with Respect to Southeast Asia", dated July 19, 1954; Progress Report, dated July 12, 1954, by the OCB on NSC 171/1; Progress Report, dated July 16, 1954, by the OCB on NSC 146/2; Progress Report, dated July 29, 1954, by the OCB on NSC 5409; Progress Report, dated August 6, 1954, by the OCB on NSC 5405) [2]

Mr. Cutler briefed the Council on the background of NSC 5429 and the reference Progress Reports. He also noted that NSC 5416 (entitled "U.S. Strategy for Developing a Position of Military Strength in the Far East") had been considered by the Planning Board in the preparation of NSC 5429. Mr. Cutler said that NSC

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[1] Drafted by Marion W. Boggs, Coordinator of the National Security Council Board Assistants, on Aug. 13.

[2] None printed. (S/S-NSC files, lot 63 D 351, NSC 5405 Series)

5429 was a new kind of paper in that the action part of the paper was less than eight pages long. He then explained the four parts into which the statement of policy was divided, and briefly characterized Annexes A, B and C. He added that some policies contained in the report were long-range in character, but that a prompt decision was needed on the other paragraphs, particularly those relating to Indochina. Mr. Cutler said that on the basis of Council action on this report, individual country papers relating to the Far East would be revised by the Planning Board from time to time.

The Council then considered NSC 5429 paragraph by paragraph. Secretary Dulles remarked that the formation of a Western Pacific defense arrangement, referred to in paragraph 1–c, would not be easy. We were working toward the conditions which would make such an arrangement possible, but we could not establish those conditions immediately. He felt, however, that the bracketed language in paragraph 1–c should be included in the paper, and Secretary Wilson agreed. Mr. Hughes[3] asked whether the policies in paragraph 1 implied a budgetary commitment. Mr. Cutler said that individual country papers on the Far East would contain financial appendices indicating the order of magnitude of our expenditures in each case.

Secretary Dulles then suggested that the order of paragraphs 1–a and 1–d should be reversed. He said that while he favored an increase in the military strength of Japan, such a policy would be no sure cure for our troubles there. We should not build up Japanese military strength unless we had confidence that Japan's future political orientation would be toward the West. Japan was the heart and soul of the situation in the Far East. If Japan is not on our side our whole Far Eastern position will become untenable.

The Vice President felt that no paper was more fundamental than NSC 5429. He thought it would be unwise to make final decisions on Far Eastern policy on the basis of an hour's discussion. Indeed, he thought this subject was worth three hours of the Council's time. He added that he felt things were often adopted without adequate consideration. Perhaps the Council should run through the paper at this meeting, and then restudy it before finally adopting it. Mr. Cutler said it had been felt desirable to bring this report to the Council for action at a time when the President was in Washington. He thought that at the very least it would be desirable to reach a decision today on those paragraphs relating to Indochina. Further consideration might then be given to the remainder of the paper.

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[3] Rowland R. Hughes, Director, Bureau of the Budget.

Secretary Wilson expressed general agreement with the Vice President, and suggested that the paper should be referred back to the Planning Board for revision.

The President remarked that all the papers that came before the Council were important. He said the Council must not shoot from the hip, but that it was necessary to reach some decisions and that this was the place to reach them. He felt that since his inauguration the NSC had been raised to a higher place in government. While he agreed with much that the Vice President had said, he wanted to continue going through NSC 5429 at this meeting.

The Council then considered Section II, "General Political and Economic Measures". Secretary Dulles said the great danger in the Far East was subversion, which was furthered by economic weakness and social distress. Delay in getting started on a program which would help alleviate such economic weakness and social distress would be dangerous. He called particular attention to the importance of Japanese trade with the U.S. and with Southeast Asia, and said that Japan had given some indication of an intention to draw back from its pro-Western orientation until it could appraise the effect of the loss of parts of Indochina on Japanese trade. The President said that the Far Eastern nations should get together themselves and form an economic grouping, and only then should ask us for assistance. He thought we sometimes offered too much too far in advance. Governor Stassen agreed that the initiative for a Far Eastern economic grouping should come from Asia.

Secretary Dulles referred to the origins of the Marshall Plan. He said that Secretary Marshall had tipped off Europe that we would render assistance, but that the initiative otherwise had come from Europe. The President said he would prefer that there not be any public tip-off. If we wanted to let the Far Eastern countries know that we would help them, we should pass the word to them through diplomatic channels. Governor Stassen remarked that Asian countries frequently required a great deal of guidance behind the scenes.

Dr. Flemming[4] asked how the exchange of persons program, referred to in paragraph 5, compared with Communist programs. Mr. Cutler replied that the Chinese Communist program in Asia was much larger than ours. The President suggested that paragraph 5 should begin "Develop and make more effective". Mr. Allen Dulles called attention to the problem of building up educational facilities in free China. He asked whether paragraph 5 was intended to cover cultural activities. The Vice President asked whether paragraph 5 was intended to cover propaganda. He felt we should devise a dramatic new program rather than make small changes in old programs. Perhaps paragraph 5 should be deleted because it did not deal adequately with the problem, and a new program, covering information, cultural relations, propaganda and education, should be inserted elsewhere.

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[4] Arthur S. Flemming, Director of the Office of Defense Mobilization.

Mr. Cutler invited the Council's attention to Section III of NSC 5429. In connection with paragraph 7, relating to a Southeast Asia security treaty, he pointed out that subparagraphs a through d characterized the treaty in layman's language, but were not an attempt to draft the articles of the treaty. The President asked who would get that kind of treaty through the Senate. Mr. Cutler said that task would presumably fall to Secretary Dulles.

Secretary Dulles was certain the Senate would not approve a treaty which gave a blank check to the President or to any foreign nation to put the United States into war. Secretary Dulles personally agreed with Alternative A of subparagraph a as long as the decision to pull the trigger rested with the U.S. and as long as President Eisenhower's Administration was in office. However, he thought other countries would not agree to Alternative A, and even if they did he was not sure it was desirable, because countries other than the United States could in effect decide that the United States must go to war.

The President remarked that since the Civil War there had been only one war in which the United States participated which had evoked continuous and vociferous criticism from the American public. This was the Korean war. The President thought that a democracy such as the U.S. could not be led into war unless public opinion so overwhelmingly favored war that a Congressional declaration of war was merely an automatic registering of public opinion. Mr. Cutler pointed out that paragraph 7 referred to overt armed aggression by Communist China. The President said that in the event of Chinese Communist aggression, decisions as to U.S. action could not be reached instantaneously. There would be time to call a special session of Congress and to ask it to make the decision. He was doubtful about the wisdom of Alternative A.

Governor Stassen said that the treaty would condition the thinking of all states concerned, and would clearly indicate that certain territory was regarded as vital. He inquired whether an approach similar to the NATO approach would be desirable. Secretary Dulles said that he had invented the term "constitutional processes" to avoid a repetition of the NATO debate in Congress. Another debate similar to the NATO debate might result in a treaty not being approved. He tended to favor Alternative B. The President said that any President would be foolish to get the country into war without the consent of Congress. He thought that Alternative B might say that each signatory to the treaty would regard an armed attack as dangerous to its vital interests, and would immediately mobilize to take counter action. Secretary Dulles said that if Congress agreed in advance that an attack on a certain area was dangerous to the U.S., the discretion of the President to use armed forces against the aggressor would be enlarged.

Secretary Wilson thought we should not back into a war over Laos, Cambodia or Vietnam. Secretary Dulles pointed out that the line to be drawn in a Southeast Asia security treaty would leave these three states the beneficiaries of united action against an aggressor. He noted that the treaty would not commit us to deployment of troops in these states for local defense. He thought Laos, Cambodia and Vietnam should be included as areas an attack on which would be dangerous to the peace and safety of the treaty signatories.

Secretary Wilson said he did not particularly like paragraph 7–b. The President said paragraph 7–b appears to mean that the President now has the authority to act promptly in an emergency. The President thought, however, that any President who acted on his own in an emergency should subsequently bring the question before Congress. He suggested the clause "without need for further congressional action" might be omitted from subparagraph b. Secretary Dulles pointed out that if an armed attack occurred in Europe we would take counter action under Presidential authority if there was not time for Congressional action. Governor Stassen felt that if we went too far in the direction of placating Congress, we would lead the Soviets to think that they could commit aggression with impunity. The President said he wanted to decide what to do at the time the aggression occurred. He feared that if planning staffs began to plan on their own interpretations of vital interests and automatic counter action, this country might get into a mess. He wanted the term "constitutional processes" retained in the paper, and thought that action without Congressional consent should not be taken unless such action was necessary in order for the United States to survive.

Mr. Allen Dulles wondered whether paragraph 7–c was clear. Secretary Dulles said that a coalition could not be organized after an aggression started; it must be formed beforehand. He suggested that the phrase "in accordance with the treaty" be inserted in paragraph 7–c.

Turning to paragraph 8, relating to local subversion, Secretary Dulles said he preferred Alternative B, but felt that its language could be improved. Did Alternative B imply a commitment to send U.S. military forces into the area, or a commitment to assist the military forces of the state attacked? Mr. Cutler said the intent of the paragraph was the use of U.S. military forces. Secretary Wilson pointed out that if this policy were adopted, U.S. forces would have to be increased. Secretary Dulles noted that paragraph 8 did not propose a treaty commitment for local defense. Governor Stassen said that the policy proposed was that of being prepared to assist a local government to defeat Communist subversion. A decision to act would, however, be taken at the time rather than in advance. As an example, he mentioned Sumatra. He said that if this island should be taken over by local Communists we should be prepared to clean up the situation.

The Vice President called attention to the language "either unilaterally or under the terms of a security treaty" in Alternative B. He asked whether a provision for assistance to a state which was the victim of local subversion would be incorporated in a Southeast Asia treaty. Secretary Dulles said an attempt was being made to include in a Southeast Asia treaty provisions relating to internal as well as external aggression. However, the article on internal aggression would probably provide for no action stronger than consultation among the signatories. Secretary Wilson felt that it was necessary to make a distinction among various countries in the Far East. For example, we might support a military action in the Philippines when we would not support such action in Laos, Cambodia or Vietnam. He thought we had never had a vital interest in the latter countries. Secretary Dulles wished to emphasize the thought that the U.S. policy on helping defeat local Communist subversion would require us to have military forces in combat readiness and be willing to send them to the scene of the subversion. This was not a decision to be taken casually. Dr. Flemming agreed the decision was not a casual one, but asked what the alternative was. The President said paragraph 8 warned the planners to get ready because we might have to take action in the event of Communist subversion. However, the Council would decide, at the time a situation arose, whether or not U.S. forces would be used.

Mr. Allen Dulles pointed out that the provisions of paragraph 8 might become operative before the ink in the paragraph was dry. He referred particularly to the dangerous situation in Indochina. Governor Stassen wondered whether the paragraph should not read "be prepared within the level of forces approved by the NSC". Secretary Dulles felt there was an ambiguity in the word "prepared". Did it mean we "intended" to take action, or did it mean we were "physically ready" to take action? Dr. Flemming opposed tying our policy to existing force level. He thought paragraph 8 meant we should be prepared to act if necessary and feasible.

The President said we would have to stick to a system of defense that could be sustained for 40 years if necessary, in order to avoid transforming the U.S. into an armed camp. Secretary Wilson believed we should not trap ourselves into going to war in Southeast Asia to save South Vietnam. Mr. Cutler pointed out that the course of action in the paper was required to meet the contingency most likely to arise—namely, local subversion. Secretary Dulles wondered whether paragraph 8 did not add commitments which U.S. armed forces could not carry out at their present levels. The President said he was frankly puzzled by the problem of helping defeat local subversion without turning the U.S. into an armed camp.

Secretary Dulles then speculated on a somewhat different approach to the problem. If feasible he would like to say to the Communists, "If you move into Southeast Asia we will move into Hainan", rather than commit ourselves to local defense or to general war. Secretary Dulles characterized this as a policy of "tit for tat", but added that he didn't know how such a policy could be implemented. The President said that the country would have to be behind any action taken by our military forces. The problem was one of defining the conditions under which the President would go to Congress and ask for a declaration of war.

Dr. Flemming thought the paper might contain a paragraph which said that we viewed local subversion in so grave a light that the President would immediately seek from Congress authority for action along a number of possible lines, including action such as that suggested by Secretary Dulles against Hainan, sending U.S. forces to assist the local government, or war against Communist China.

Secretary Dulles wished an opportunity to review at a later meeting a new paragraph 8, revised in the light of the discussion. Mr. Cutler read a revised paragraph 8, and it was agreed that this paragraph should be reviewed by the Council at its next meeting.

Secretary Dulles was concerned about paragraph 9-a. He had not believed there was any way to bring about a non-Communist victory in any all-Vietnam elections. He thought our real objective should be to avoid having any such elections. Secretary Wilson asked if we were going to undermine the Geneva agreements. Secretary Dulles pointed out that we did not become a party to these agreements. The President agreed with Secretary Dulles that paragraph 9-a might be ended with the language "prevent a Communist victory through all-Vietnam elections".

Secretary Dulles felt that the word "insist" in paragraph 9-b was too peremptory. We have so many of our interests bound up with France that we could not afford to be peremptory. We don't want satellites; we want allies or equal partners. Secretary Dulles suggested we delete "in every way", and change "insist" to "urge".

Secretary Dulles also thought paragraph 9–c should include the words "wherever advantageous to the United States".

Mr. Cutler read a proposed revision of paragraph 9–f from the Joint Chiefs of Staff memorandum distributed at the meeting [5] (copy filed in the minutes of the meeting). The President said he felt the paragraph as it appeared in NSC 5429 was all right.

Turning to paragraph 9–g, Secretary Dulles said he preferred Alternative A, with the bracketed words included. Mr. Tuttle [6] pointed out that under Alternative D the Treasury would be required immediately to freeze assets under the trading-with-the-enemy act.

Mr. Cutler pointed out that the JCS memorandum proposed the deletion of both alternatives for paragraph 10–d. Governor Stassen felt it was important to make a dramatic counter move in Thailand. He thought we could cover a withdrawal from Korea and at the same time make such a counter move if we showed the flag in Thailand. Secretary Dulles noted that pursuant to a recent decision the U.S. Fleet would become more active off the China coast. The President thought we should search for ways to give positive evidence of our concern for Thailand. Elimination of paragraph 10–d would be no bar to action. He requested the Secretary of State to study the situation and recommend means of showing the people of Thailand our intention to prevent further Communist expansion.

Mr. Cutler asked whether the Council now wished to approve Sections I, II and III (except for paragraph 8) of NSC 5429, and whether another meeting could be held on Wednesday, August 18, to consider paragraph 8 and Section IV of the paper. The President said this arrangement would be satisfactory to him.

Secretary Dulles was not sure that he would be ready for decisions on this paper by next Wednesday. The President felt that a general discussion would be useful, in any event. Dr. Flemming said he would like to have a decision focussed on where the line against aggression must be drawn. Secretary Dulles said that in the Southeast Asia treaty it was proposed to draw the line to include Laos, Cambodia, and South Vietnam on our side. The theory of the treaty was that if the Communists breached the line we would attack Communist China. Secretary Wilson felt it would be difficult to include Laos, Cambodia and South Vietnam on our side of the line, because their loss would not be a loss to us, inasmuch as they had never belonged to us. Secretary Dulles referred to his public warnings that overt Chinese Communist aggression would result in U.S. counter action. Governor Stassen felt that a gain by the Communists was a loss to us, no matter where it occurred. The President agreed, and said that some time we must face up to it: We can't go on losing areas of the free world forever.

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[5] *Supra.*

[6] Elbert P. Tuttle, General Counsel of the Treasury Department, was apparently Acting Secretary of the Treasury.

The National Security Council: [7]

a. Discussed the subject on the basis of the statement of policy in NSC 5429, the comments thereon of the Joint Chiefs of Staff (as circulated at the meeting), and the reference reports by the Operations Coordinating Board.

b. Adopted the statement of policy contained in Sections I, II and III (except paragraph 8) of NSC 5429, subject to the following amendments:

(1) *Paragraph 1-c:* Include the bracketed wording.

(2) *Paragraph 1-d:* Insert 1-d as 1-a, and reletter other paragraphs accordingly.

(3) *Paragraph 5:* Reword as follows:

> "5. Develop and make more effective information, cultural, education and exchange programs for the countries concerned."

(4) *Paragraph 7-a:* Insert Alternative B reworded as follows:

> "Commit each member to treat an armed attack on the agreed area (including Laos, Cambodia and South Vietnam) as dangerous to its own peace, safety and vital interests, and to act promptly to meet the common danger in accordance with its own constitutional processes."

(5) *Paragraph 7-b:* Delete ", without need for further Congressional action," and add at the end "which endangers the peace, safety and vital interests of the United States."

(6) *Paragraph 7-c:* Insert, after "obligated", the words "in accordance with the treaty".

(7) *Paragraph 9-a:* In lieu of "bring about a non-Communist victory in any", substitute "prevent a Communist victory through".

(8) *Paragraph 9-b:* Reword as follows:

> "b. Urge that the French promptly recognize and deal with Cambodia, Laos and free Vietnam as independent sovereign nations."

(9) *Paragraph 9-c:* In lieu of "in every possible way", substitute "wherever advantageous to the U.S.", and change "South Vietnam" to "free Vietnam".

(10) *Paragraph 9-g:* Insert Alternative A, including the bracketed words.

(11) *Paragraph 10-d:* Delete, noting the President's request in c below.

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[7] Lettered paragraphs a-d constitute NSC Action No. 1204. (S/S-NSC (Miscellaneous) files, lot 66 D 95)

c. Noted that the President requested the Secretary of State to recommend means of providing visible evidence in Thailand of our intention to prevent further Communist expansion.

d. Agreed to reconsider paragraph 8 of Section III and to consider Section IV of NSC 5429 at a Council meeting on August 18, 1954, on the basis of the following rewording of paragraph 8:

> "8. If requested by a legitimate local government to assist it to defeat local Communist subversion or rebellion which does not constitute external armed attack, the U.S. should view such a situation so gravely that the President would request Congressional authority to take appropriate action, which might if necessary and feasible include the use of U.S. military forces either locally or against Communist China."

Note: The statement of policy in NSC 5429 as amended subsequently circulated as NSC 5429/1.[8] Sections I, II and III (except paragraph 8) of NSC 5429/1 approved by the President, who directs their use as a general guide in the implementation of pertinent policies toward the Far East by all appropriate Executive departments and agencies of the U.S. Government, and designates the Operations Coordinating Board as the coordinating agency; pending final Council action on NSC 5429/1 after further consideration of paragraph 8 and Section IV thereof. The action in c above subsequently transmitted to the Secretary of State.

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MARION W. BOGGS

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[8] Dated Aug. 12, not printed. (S/S-NSC files, lot 63 D 351, NSC 5429 Series)

890.00/8-1354

Memorandum by the Economic Coordinator in the Bureau of Far Eastern Affairs (Baldwin) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)

SECRET [WASHINGTON,] August 13, 1954.

I have read your handwritten inscription on the letter to Admiral Spruance [1] expressing concurrence with the prefatory remarks in the Admiral's reply [2] to the letter about economic assistance for

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[1] Not found in Department of State files.

[2] In his letter to Robertson dated July 30, Admiral Spruance wrote: "I believe that we gain very little by giving aid to countries which are not actively and vigorously opposed to Communist infiltration and control. . . .

"On the other hand, countries which play with the Communists are apt eventually to go under, and I doubt if our economic aid will do much to prevent such an outcome; it may, in fact, render the country a more valuable prize for the Communists to take over. A country is more likely to fall prey to Communist infiltration, if

Continued

Asia. I would like to have an opportunity at your convenience to discuss this aspect of the matter with you. Before then, perhaps, you will be good enough to consider the following views:

I fully agree in principle with Admiral Spruance's belief that nations which we are willing to assist should be willing to join with us in the struggle against Communism. I say "in principle" because I believe that we are confronted in Asia with a situation which may make it necessary, in order to accomplish both our immediate and long range objectives, to make exceptions to what would normally be reasonable and desirable requirements.

It would be a waste of your time to elaborate on the problems presented by the so-called "neutralist" Asian countries. From our standpoint their neutralism is wrong, illogical, and dangerous. The fact that we believe it is wrong however, is not likely to cause them to change quickly enough to suit our purposes. We are therefore confronted by a very fundamental question, viz., whether it is more important to us to wait until they are willing to declare themselves more actively opposed to Communism—as we would like—or whether we will do everything possible to strengthen them in the belief that improvement of their general situation will better enable them to resist Communism. Five of the replies from our Far East Missions to your letter (Tokyo, Seoul, Djakarta, Saigon, Rangoon) believe that no political or defense "strings" should be attached to U.S. economic assistance to Asia.

I am convinced that any economic program for Asia which we might support, and which would continue to require recipients to make commitments with respect to joining in collective opposition to Communism will automatically rule out Indonesia, Burma, Ceylon and India. It is not certain that all or some of these countries would go along with any other kind of program, but there seems to be at least a chance that they could be persuaded to attempt, that fact alone might serve to refute the increasingly strong Communist propaganda aimed at the neutralist countries and stressing the charge that we regard armed conflict as the ultimate objective of our opposition to Communism.

This is a tough problem and a distasteful one, but I think it is a problem with which we are forced to come to grips. The decision may well play a vital part in shaping the future trend of Asian events.

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there are glaring social and economic inequities and injustices and if the legal government is making no effort to remedy these. I do not believe that a low standard of living is, in itself, dangerous, provided there are reasonably good opportunities for earning a living for the mass of the people, and the gulf between the well-to-do and the rest of the people is not too wide." (FE files, lot 55 D 480)

Editorial Note

On August 14, the Department issued the following statement:

"The Government of the United States has agreed with other like-minded Governments that the situation in Southeast Asia calls for the establishment of a collective security arrangement, in accordance with the purposes and principles of the Charter of the United Nations, to strengthen the fabric of peace in the general area of Southeast Asia and the Southwest Pacific.

"Accordingly, the Government of the Philippines having offered facilities in Baguio, the Foreign Ministers of the Governments concerned have agreed to meet there on September 6 to consider measures to further their common objectives in the area. This meeting follows consultation between the U.S. Government and other Governments over the past 4 months." (Department of State *Bulletin*, August 23, 1954, page 264)

Similar, but not identical, statements were issued on the same day by the Governments of Australia, France, New Zealand, Pakistan, the Philippines, Thailand, and the United Kingdom.

Eisenhower Library, Dulles papers, "Meetings with the President"

Memorandum of Conversation With the President, by the Secretary of State [1]

[Extract]

SECRET [WASHINGTON,] August 17, 1954.

. . . .

I expressed my concern with reference to the projected SEA Treaty on the ground that it involved committing the prestige of the United States in an area where we had little control and where the situation was by no means promising. On the other hand, I said that failure to go ahead would mark a total abandonment of the area without a struggle. I thought that to make the treaty include the area of Cambodia, Laos and Southern Vietnam was the lesser of two evils, but would involve a real risk of results which would hurt the prestige of the United States in this area. The President agreed that we should go ahead.

JFD

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[1] Drafted by the Secretary personally.

751G.00/8-1254: Telegram

The Secretary of State to the Embassy in Cambodia [1]

SECRET WASHINGTON, August 17, 1954—8:14 p. m.

25. Reference is made to final paragraph Phnom Penh telegram 64 [2] repeated Saigon 77 Paris 58 London 2 Bangkok unnumbered and preceding telegrams from Phnom Penh indicating desire of Cambodian Government to be included in Southeast Asia defense arrangements. Reference likewise made fourth paragraph Vientiane's 12 [3] sent Saigon 23 Paris 10 indicating concern of Crown Prince that Laos apparently not mentioned re SEATO mutual defense organization.

Chargés in Phnom Penh [4] and Vientiane [5] are authorized informally to approach Cambodian and Laotian Governments to say that US by no means has omitted to consider need of appropriate security arrangements covering [6] these states within framework of any future SEATO treaty. However the two governments will comprehend that negotiations on such a collective defense system are still in progress. It would be our preliminary thought that both Cambodia and Laos as well as Free Viet Nam should be covered by the SEATO treaty.[7] However it is not our present thought that they should ~~initially be~~ members of SEATO as this might evoke Communist reactions which would be prejudicial to interests of Indochina states.[8]

These views are substantially our own although we understand they are shared by certain other prospective members of SEATO. Naturally they are subject to the arrangements representing collective agreement which will be worked out at forthcoming conference. Saigon authorized in its discretion use substance foregoing in conversations Vietnam officials.[9]

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[1] Sent also to Vientiane; repeated for information to Bangkok, Saigon, Canberra, Wellington, London, and Paris. Drafted by Robert McClintock, then Chairman of a Special Working Group dealing with postarmistice problems in the Associated States. (McClintock was appointed Ambassador to Cambodia on Aug. 18.) Telegram approved for transmission by Robertson and cleared with, among others, O'Connor on behalf of the Secretary.

[2] Dated Aug. 12, not printed. (751G.00/8-1254)

[3] Dated Aug. 13, not printed. (751J.00/8-1354)

[4] Herbert I. Goodman.

[5] Lloyd M. Rives.

[6] On the source text, "security arrangements covering" is typed in to replace "guarantees of territorial and political integrity".

[7] On the source text, the following ending to this sentence is crossed out: "against both overt armed aggression and subversion by cold war techniques."

[8] On the source ~~text, the~~ following sentence is crossed out at this point: "Main point to emphasize is that any security arrangement for Southeast Asia must by its very nature provide appropriate safeguards for freedom and sovereignty of all non-Communist states in that area."

DULLES

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[9] The last sentence on the source text was apparently typed in after the remainder of the message.

In telegram 82 from Phnom Penh, Aug. 22 (not received in the Department until 4:35 a. m. on Aug. 26), Chargé Goodman in part replied:

"This morning, following instructions Department telegram 25, I outlined to Foreign Minister [Tep Phan] US position Cambodian affiliation Southeast Asia defense arrangements. Minister thoughtful about our position, and recalled Geneva conversation with General Smith during which he said General told him that even were Cambodia not to join projected SEATO treaty, the pact could guarantee her borders. He assumed US position in favor such guarantee and said he hopes we have not changed our view. I assured him our 'preliminary thought' is Cambodia would be covered by treaty, but that final arrangement would be worked out at conference." (790.5/8-2254)

790.5/8-1754

The Secretary of Defense (Wilson) to the Secretary of State

TOP SECRET WASHINGTON, August 17, 1954.

DEAR MR. SECRETARY: I refer to the Draft Southeast Asia Collective Security Treaty,[1] copies of which were made available to the Department of Defense by the Department of State. The Joint Chiefs of Staff have expressed their views [2] on the draft submitted by the United States member of the Joint US-UK Study Group on Indochina. The comments of the Department of Defense are made in light of the views of the Joint Chiefs of Staff and in consideration of a revised version of the draft Treaty contained in SEAP D-2/1, dated 5 August 1954.[3]

The Department of Defense considers that the revised draft Treaty is generally satisfactory subject to the following comments:

a. In order to strengthen provisions of the Treaty which permit protection to be extended to countries of the area not participating in the Treaty, the word "general" before "area of Southeast Asia and the Southwest Pacific" should be added in paragraph four of the preamble as well as in paragraph one of Article IV.

b. The Department of Defense believes that in further negotiations both preliminary and at the time of the meeting of the Ministers, it should be made clear that no commitments by the United States to support the raising, equipping, and maintenance of indigenous forces and/or to deploy United States forces in such strengths as to provide for an effective defense of all of the national territory of each signatory is implied or intended. Military aid by the United States to the Southeast Asian countries who are members of the pact would be limited to that necessary to permit the countries concerned to raise, equip, and maintain military forces as necessary to insure internal stability, to provide a reasonably effective opposition to any attempted invasion, and to instill national confidence. This is consistent with the views expressed at our meeting on 24 July 1954,[4] and in your message No. 589 to London dated 28 July 1954.[5]

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[1] Dated July 9, and included in SEAP D-2, dated Aug. 2, p. 686.

[2] See the memorandum by the Joint Chiefs of Staff to the Secretary of Defense, Aug. 13, printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 719-724.

[3] *Ante*, p. 708.

c. It should equally be made clear that the Treaty would not commit the United States to a large-scale program of economic aid to the signatory countries in lieu of military aid since, in the final analysis, funds for economic aid must come from the total amount of money available for the national security programs of the United States.

d. It is the view of the Department of Defense that if the Treaty is ultimately to result in the development of effective collective strength to halt further Communist control in the general area of Southeast Asia and the Southwest Pacific, those nations in the area which are potentially capable of making a substantial military contribution, i.e., Japan, Korea, and possibly Nationalist China, should eventually be permitted to subscribe to the Treaty if they so desire. Accordingly, this point should be made clear to the other signatories in the negotiations leading to the signing of the Treaty.

The Department of Defense considers that it would be premature and undesirable to discuss, either at the meeting of Ministers or before, the formation of an organization associating the military representatives of the participating nations. The Council and the political machinery of the Treaty should be established first. This could be followed by the creation of military machinery necessary to make the Treaty effective. In the view of this Department such military coordination should be similar to the ANZUS arrangements.

It is recognized that it is not feasible to include in the Treaty itself details relating to implementation of the provisions by the Parties. However, the Department of Defense strongly urges that in the formulation of implementing procedures by the Council, the United States take a position in support of permitting concerted action by a lesser number than the total of the signatory nations in the event that the political or territorial integrity of any signatory is threatened by Communist aggression in any form. In addition, careful consideration should be given to the practicability and desirability of providing voting machinery in the Council which would preclude the possibility that, at some time in the future when the membership is expanded, a bloc of "neutrals" or a British Commonwealth bloc could exercise a controlling voice.

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[4] For the minutes, see p. 665.

[5] *Ante*, p. 680.

The Joint Chiefs of Staff have expressed the opinion, with which I fully concur, that the recent developments in Geneva and Indochina, considered in conjunction with the general retrograde trend within the Western Bloc, serve to increase the urgency of the need for a comprehensive United States policy with respect to the Far East region as a whole. This is necessary in order to give direction, cohesiveness, and greater effectiveness to the political and military actions which must now be taken to prevent the loss of the remainder of Southeast Asia to Communist control. It is considered that until the United States formulates and adopts such an over-all policy we shall be severely handicapped in any negotiations for the establishment of a collective defense in the general area of Southeast Asia and the Southwest Pacific. It would appear necessary that certain basic decisions be made with respect to how far the United States is willing to go, in concert with all or certain of the non-Communist nations having interests in the Far East or, if necessary, unilaterally, in opposing further Communist accretions in the area under consideration.[6]

Sincerely yours,

C. E. Wilson

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[6] In a memorandum for the files dated Aug. 20, Merchant wrote:

"On August 18 Admiral Davis telephoned me to give me a preview of a letter which Mr. Wilson had just signed to the Secretary generally endorsing the JCS views on our Working Draft 2 of the SEA Treaty text. He ran down the points. I challenged him on the concept that economic aid was undesirable because it allegedly came out of the U.S. defense budget and I also stated that I thought it was an untenable position to attempt to avoid discussion with the other prospective parties of the question of military machinery or organization.

"The matter was left that we would study the letter on arrival and then get hold of Admiral Davis for discussion of it if such then seemed necessary." (790.5/8-2054)

790.5/8-1754

The Secretary of Defense (Wilson) to the Secretary of State

CONFIDENTIAL

WASHINGTON, 17 August 1954.

DEAR FOSTER: I have sent you the official position of the Department of Defense regarding the draft of the South East Asia Collective Security Treaty.

I have the minimum amount of optimism about what really can be accomplished at this stage, and I cannot get away from the feeling that the British and India have a great responsibility in the matter if not the primary responsibility.

After the initial organization of the matter, I would think it would be very helpful if we could lie back a bit and be the people that the rest of them had to get to go along rather than for us to take the initiative and have the British and the Hindus and everyone else involved in the matter throw roadblocks in our way.[1]

Sincerely,

C. E. WILSON

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[1] Dulles replied on Aug. 25. "Dear Charlie: I have your letter of August 17 with reference to the Southeast Asia Collective Security Treaty. I, too, have very little optimism about this. However, I think we have to proceed at least to the point of making the treaty. Otherwise, we seem to abandon the entire area without a struggle." (790.5/8-1754)

790.5/8-1854

Memorandum by the Assistant Secretary of State for European Affairs (Merchant) to the Secretary of State [1]

SECRET [WASHINGTON,] August 18, 1954.

Subject: Southeast Asia Pact

Our discussions with other prospective members of the SEA Pact have uncovered several points on which we have not expressed clear U.S. views. In order to advance the preliminary work on the Pact, it would be desirable if, during the course of the present week, we could make known the U.S. attitude on the points listed below:

1. *Name of Organization*

In accordance with your suggestion some weeks ago, we have attempted to get away from the designation "SEATO" so as to avoid fostering the idea that an organization is envisaged for SEA and the Pacific similar to NATO, with all its connotations of elaborate military machinery and large standing forces in the area equipped and maintained principally by U.S. military aid. In spite of our efforts, the designation "SEATO" has stuck, mainly because the press has been using it for many months. Furthermore, the other prospective members of the Pact seem to prefer "SEATO" to any other name we have suggested.

I suggest that we accept that "SEATO" is here to stay and that we continue to make clear in our substantive discussions that so far

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[1] Attached to a covering note of the same date from Kitchen to the Secretary in which Kitchen wrote that the Secretary was scheduled to meet that afternoon with Merchant, Robertson, Phleger, Jernegan, Bowie, and other officials in order to discuss this memorandum and other papers concerning a Southeast Asia defense treaty.

No other record of this meeting has been found in Department of State files.

as the U.S. is concerned, the SEA Pact is not conceived as a parallel to NATO.

2. *Treatment of Economic Aspects*

Certain of the other prospective members are placing considerable emphasis on economic activities in connection with the SEA Pact. Some of them, like the Filipinos and Pakistanis, obviously see it as a means for obtaining additional American economic assistance and incidentally fostering economic cooperation in the area. Others, particularly the Australians, contend that emphasis on economic aspects is the only basis for securing wide-spread support in Asia for the Pact.

A group is now working under Mr. Baldwin in FE on a possible plan for economic cooperation among free Asian nations, to which the U.S. would devote substantial resources. While it has made progress, this group has not yet made any definite recommendations. Apart from the further work required within the Executive Branch, it seems probable that necessary Congressional consultation on such a plan could not be completed before the end of the year.

You will recall that in preliminary discussions with you on the question of economic development in Asia, it was generally agreed, for a variety of reasons, that the proposed SEA Pact should not be the principal vehicle for U.S. cooperation with countries in the area. This being the case, we need to be as forthcoming as possible during the negotiations on the SEA Pact. Unless we can make our views on the means of economic cooperation fairly clear, the other members of the SEA Pact are likely to believe that the Pact itself offers the only means available.

The present draft economic article is a somewhat loosely worded permissive clause. The main objection voiced to it is that it lacks specification as to the definite forms of economic cooperation which might be undertaken.

It is recommended

a. *That we extend the present economic article to specify cooperation in technical and cultural fields, or*

b. *That we inform the other prospective members why we do not regard the SEA Pact as the appropriate framework for assisting economic development and fostering economic cooperation in Asia and the Pacific; and that we hope soon to suggest the means or vehicle by which we believe that economic development and cooperation among free Asian nations can best be assisted.*

3. *Definition of the Treaty Area*

We have from the outset recognized the need for specifying some limits to the area covered by the Treaty, particularly the principal operative clause thereof.

We would like to discuss with you the possibility of language along the following lines to be inserted as a separate article at an appropriate place:

> "As used in this Treaty" the general area of Southeast Asia and of the Southwest Pacific "shall not include the Pacific area north of 20 degrees north latitude".

or

> "As used in this Treaty" the general area of Southeast Asia and of the Southwest Pacific "shall be deemed to include the area south of the southern borders of China and East of the Indian Ocean."

4. *Protection of Vietnam*

We and the British agree that the SEA Pact should extend protection against armed attack to Laos, Cambodia, and free Vietnam. Australia and New Zealand agree that Laos and Cambodia should be protected but have drawn attention to the problem presented by Vietnam. We have no clear views as yet of the other prospective members concerning protection to be afforded the Associated States.

If Vietnam is not specifically protected while Laos and Cambodia are, it would be, in effect, an open invitation to the Communists to take over the entire country. On the other hand, if Vietnam is specifically included in the area of protection, we may find that within a period of a few months, we would be committed to protecting a Communist State from armed attack.

So far as armed attack is concerned, the problem is really one of phraseology in the Treaty, depending upon whether all of Vietnam or just the southern half would be protected. The question probably is academic in that it seems unlikely that armed attack is the real danger to Vietnam. The more likely course of events—subversion and infiltration leading to a Communist take-over in southern Vietnam—would be covered by the consultative clause of the Treaty.

It is suggested that we propose the following revision of Article IV, paragraph 1, to cover the Associated States:

> "Each Party recognizes that an armed attack in the general area of Southeast Asia and of the Southwest Pacific on any of the Parties or on Cambodia, Laos, or the territory under the jurisdiction of the free Vietnamese Government, or on any states or territory which the Parties by unanimous agreement designate, would endanger its own peace and safety, and agrees that it would act to

meet the common danger in accordance with its constitutional processes."

5. *Interim Machinery*

a. *Site*

The location of interim machinery need not necessarily be the same as for permanent machinery. If, however, agreement can be reached reasonably soon on the site for permanent machinery, the interim machinery could be established at the same place, thereby facilitating the orderly development of the permanent machinery. *In general, the U.S. might adopt the position that we would prefer to see the interim machinery located in the area; however, we would be open to other suggestions.*

b. *Form of Representation*

There should be organized an Interim Council which should be composed of the Foreign Minister and the diplomatic representatives of the other parties in one of the capitals. This Interim Council could arrange for such ad hoc working groups or committees as might be required to assist it in its function pending the coming into force of the Treaty. It is not foreseen that any formal bodies or committees, other than the Interim Council, would be required in the immediate future.

c. *Military Representation*

A Military Advisory Committee to the Interim Council should be provided. These military advisors should assist the Interim Council in making recommendations as to the scope of military work to be undertaken within the framework of the Pact. Following agreement on the scope of the work to be undertaken, recommendations can be made as to further military machinery required.

d. *Secretariat*

Until there is general agreement on the scope of operations to be undertaken, any international secretariat should be confined to those individuals required for the purely administrative work of the Interim Council and the Military Advisory Committee. In the interim stages, it might be desirable that such secretariat should be provided by the host government rather than by contributed individuals from all of the member nations.

6. *Permanent Machinery*

a. *Site*

Both Australia and New Zealand argue strongly against having the permanent machinery situated either in Thailand or the Philippines. By the process of elimination, Ambassador Spender comes up with Canberra as the best location.

We are not impressed with most of the arguments the Australians and New Zealanders have put forward against Thailand and the Philippines, and we believe it would be a great mistake to have the permanent machinery situated in other than an Asian country.

The choice to us seems to be between Thailand and the Philippines.

b. *Development of Permanent Machinery*

The Interim Council should be given the task of making recommendations for the establishment of permanent machinery. The

Foreign Ministers, at the Manila meeting, should attempt to reach agreement in general terms on the scope of activities to be undertaken, as a guide for the Interim Council in drawing up its recommendations on permanent machinery.

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 211th Meeting of the National Security Council Held on Wednesday, August 18, 1954 [1]

TOP SECRET EYES ONLY

Present at the 211th meeting of the Council were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were Mr. Tuttle for the Secretary of the Treasury; the Director, Bureau of the Budget; the Secretary of the Army; the Secretary of the Navy; the Acting Secretary of the Air Force; the Chairman, Joint Chiefs of Staff; Gen. Bolté for the Chief of Staff, U.S. Army; Adm. Duncan for the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; Gen. Pate for the Commandant, U.S. Marine Corps; the Acting Director of Central Intelligence; the Assistant to the President; Mr. Cutler, Special Assistant to the President; Mr. Bowie, Department of State; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the chief points taken.

Review of U.S. Policy in the Far East (NSC 5429 and NSC 5429/1; Memo for NSC from Acting Executive Secretary, subject: "United States Objectives and Courses of Action with Respect to Southeast Asia", dated July 19, 1954; NSC Action No. 1204; [2] Progress Report, dated July 12, 1954, by the OCB on NSC 171/1; Progress Report, dated July 16, 1954, by the OCB on NSC 146/2; Progress Report, dated July 29, 1954, by the OCB on NSC 5409; Progress Report, dated August 6, 1954, by the OCB on NSC 5405; Memo for Planning Board from Executive Secretary, same subject, dated August 13, 1954) [3]

After Mr. Cutler had reminded the Council of its previous action with respect to this paper, he invited their attention to paragraph

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[1] Drafted by Gleason on Aug. 19.

[2] See footnote 7, p. 732.

[3] See footnote 1, p. 719.

8 of Section III,[4] regarding action in the event of local subversion in Southeast Asia, on which paragraph the Council had not acted at its previous meeting.

The President interrupted Mr. Cutler's briefing to point out that if an instance of subversion which was strictly local in inspiration should occur in Southeast Asia, the United States would not be able to intervene; but that if such subversion were the result of Chinese Communist motivation, the President would be quite right in seeking Congressional authority for the United States to intervene.

Mr. Cutler resumed his briefing by indicating a proposed CIA revision of this paragraph, copies [5] of which were given to the members of the Council.

Secretary Dulles then stated that he had a number of language changes [6] in the existing paragraph, all of which were designed to reflect more accurately the meaning and substance of the present paragraph. One of the objectives of this language, said Secretary Dulles, was to avoid a fixed or automatic commitment to seek authority to intervene in Southeast Asia.

After further discussion of Secretary Dulles' changes, the Vice President suggested that it was unwise in the existing text to limit the possible use of U.S. military forces only to action "locally or against Communist China". The language should be changed, thought the Vice President, to read action against "the source of the aggression". The Vice President explained his proposal by stating that it was quite possible that the Soviet Union itself directly, rather than through Communist China, might inspire local subversion or rebellion. The Vice President pointed out that there had been considerable argument that Ho Chi Minh was the agent of the USSR rather than the creature of Communist China. Accordingly, the Vietminh might stir up subversion and rebellion in Southeast Asia at the direct behest of Soviet Russia. The broadened language would take account of this contingency.

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[4] The Council was here considering Section III, paragraph 8, as it appeared in paragraph d of NSC Action No. 1204.

[5] Not found in Department of State files.

[6] A memorandum dated Aug. 17 to the Secretary from Robertson, drafted by Ogburn, reads in part as follows:

"Paragraph 8 of Section III could and should be improved. As it now reads, it is too rigid and binding, it fails to emphasize the desirability of taking adequate measures to defeat Communist subversion before US troops are required, and it is unrealistic in suggesting that an attack upon Communist China would be a feasible means of countering Communist subversion in another country. It is suggested that the paragraph be reworded as follows:

" '8. *Action in the Event of Local Subversion*. In countries where there is an actual or potential danger of successful internal Communist subversion or rebellion, the US should by all feasible means seek to strengthen and enhance the appeal of the nationalist, pro-democratic elements, including the provision of military equipment and supplies in extraordinary amounts if the situation requires. Should such measures prove unavailing and the local government nevertheless face defeat and appeal for the support of US military forces, the US should as a last resort consider providing such support if the prospects of success appear reasonably good and if by so doing it would not be dangerously overextending or maldeploying its resources.' " (S/S-NSC files, lot 63 D 351, NSC 5429 Series)

Documentation regarding any use made of this memorandum by the Secretary has not been found in Department of State files.

The President commented that of course if the Soviet Union were the motivating source of the subversion, it would mean general war. Mr. Cutler commented that it was the view of the Planning Board that if such subversion occurred elsewhere in Southeast Asia, Communist China was likely to be at the bottom of it, and the present language was therefore designed to hit Communist China in such a contingency. He did suggest, however, the addition of a phrase to read "if it [Communist China] [7] is determined to be supporting such subversion or rebellion".

The Vice President replied that the term "locally" obviously referred to the country in which the insurrection or subversion occurred. Supposing this country were Indonesia and the Vietminh was the aggressor. Would the United States then be obliged to attack Communist China? Mr. Cutler pointed out that our military people had been anxious to avoid peripheral wars and to launch an attack on China if that country proved to be the real aggressor in Southeast Asia. Accordingly, he would like to hear from the military advisers to the Council on this subject. After further discussion, the Council reached agreement on an appropriate revision of paragraph 8.

Mr. Cutler then reminded the Council that in its previous consideration of the present paper it had not dealt with Section IV,[8] which presented alternative U.S. policies vis-à-vis Communist China. Accordingly, the next order of business was for the Council to discuss these alternatives and, if possible, to make a choice among them. Mr. Cutler also pointed out the view of the Joint Chiefs of Staff, supported by ODM, that Communist China was the heart of the problem for U.S. policy in Asia, and that this section should therefore come first in the paper. The majority of the Planning Board, however, had not agreed with this proposal, and did not believe that any significance should be attached to the incidence of the several sections of the paper.

The Vice President immediately inquired of Mr. Cutler whether the Planning Board really did not believe that Communist China was the key problem for American policy in Asia. Mr. Cutler assured the Vice President that there was no real disagreement between him and the Planning Board on the top importance of Communist China.

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[7] Brackets in the source text.

[8] Section IV of NSC 5429/1 was identical to Section IV of NSC 5429.

Mr. Cutler then proposed to summarize and characterize the four alternative policies on Communist China set forth in Section IV. These four alternatives had been painted in broad strokes. The Planning Board intended, after securing Council guidance on the general problem of Communist China, to proceed to rewrite the ten country and area policies for Asia.

Mr. Cutler then characterized the four alternatives. The first alternative could be described, he said, as a "soft" policy, representing the objective of peaceful coexistence. Alternative B was essentially existing U.S. policy with respect to Communist China, with the addition of one new thought contained in paragraph 13-a-(2), which directed that the United States should "retaliate promptly and appropriately for any Communist Chinese violation of accepted international behavior, other than armed aggression, directly affecting U.S. security interests." Alternative C, said Mr. Cutler, presented a tougher policy with respect to Communist China.

Secretary Dulles interrupted Mr. Cutler to inquire whether the statement in Alternative B, paragraph 13-a-(1), was actually a part of our present policy. This paragraph read "Make clear to Communist China our determination to attack Communist China only if it commits armed aggression." Mr. Cutler replied that he believed that this was so, and the President added that he believed it was part of our present policy at least by implication, adding that both the President himself and the Secretary of State had said as much. Secretary Dulles replied that he had doubts as to the appropriateness of the word "only" in this paragraph, and the President added that he believed that the thought in the paragraph could be expressed more positively.

Mr. Cutler then resumed his briefing by a further characterization of Alternative C. It was a good deal like Alternative B, except that it called for the United States to prevent by force any further expansion of Communist control in Asia. The last alternative, D, was the toughest policy of all.

Mr. Cutler then said he wished to read excerpts from the views of the Joint Chiefs of Staff [9] on the present paper. Their comments in general, he said, could be divided into three parts. The first were comments generally critical of the paper because it lacked a statement of U.S. objectives and broad courses of action with respect to the Asian area as a whole. Mr. Cutler agreed that there was some substance to this criticism by the Joint Chiefs of Staff, but pointed out that if the Council were able to decide on the broad problems raised by the present paper, and could likewise make up its mind with regard to the general U.S. position vis-à-vis Europe and Latin America, the Planning Board would proceed to take a fresh look at the basic national security policy of the United States.

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[9] Reference is to the memorandum from the Joint Chiefs to Secretary Wilson, dated Aug. 11, p. 719.

The President said that he saw no particular reason why the present paper must include a lengthy statement of objectives, as the Joint Chiefs seemed to desire. He personally had no objection to the approach to the problem taken in the present paper.

Returning to the views of the Joint Chiefs of Staff, Mr. Cutler pointed out that three of the Chiefs (Navy, Air Force and Marine Corps) had recommended adoption of Alternative C subject to certain amendments. Finally, said Mr. Cutler, he wanted to bring to the Council's attention the minority view of the Chief of Staff of the Army. He proceeded to read General Ridgway's objection and comment regarding the present paper. Mr. Cutler pointed out his own view that General Ridgway's comment actually indicated greater dissatisfaction with the basic national security policy (NSC 162/2) than with the present paper on U.S. policy in the Far East. This was indicated by the last sentence of General Ridgway's comment, which read "Prompt strengthening of our military capabilities in order that American diplomacy may have that essential military support without which it cannot hope to succeed." Mr. Cutler then asked the Council to express its views regarding the four alternatives presented in the Planning Board's draft.

Dr. Flemming expressed the opinion that in view of the action just taken on paragraph 8 of Section III, the Council should examine Alternative C as the logical starting point in the discussion.

Secretary Dulles inquired whether the purpose of the forthcoming discussion of alternatives would be confined simply to an exchange of viewpoints, or was designed actually to achieve a decision among the alternatives offered. Speaking for himself, he said, he did not believe that consideration of the problem of Communist China had reached a point which would warrant decision now. The problem of Communist China he described as very intricate, and its relations with other states changing from day to day. The shifting relations, for example, between Communist China and Soviet Russia were so delicate as to make them extremely hard to appreciate. Nevertheless, all these considerations militated against adoption of any of the four alternatives by the Council at the present time. In addition, there was the problem of our allies. It was obvious that there would be no shred of allied support for Alternative D. We must take into account the fact that the mood of the rest of the free world toward Communist China has materially changed in recent months. United States policy must take this fact into consideration, whether we liked it or not. As a specific illustration, Secretary Dulles cited the pressures which Prime Minister Churchill was bound to feel when the Attlee mission returned from Communist China and Parliament reconvened. In view of all these considerations, Secretary Dulles said that it was his own conclusion that he must give the problem of Communist China a great deal more thought than he had had time to do up to the present, and most particularly the consequences for U.S. policy of the changing views of our allies with respect to Communist China.

Mr. Cutler commented that in effect Secretary Dulles' conclusion amounted to a recommendation that Alternative B should be chosen, since this alternative represented existing U.S. policy toward Communist China, which Secretary Dulles did not wish to see changed at the present time. Secretary Dulles asked whether, in fact, Alternative B actually reflected existing policy, and Mr. Cutler replied that the Planning Board intended Alternative B to summarize current policy. In any case, said Secretary Dulles, he did think we should move away at this time from our existing policy. He agreed, however, that there was much value in the comments of General Ridgway, although he could not bring himself to agree with the last sentence of the comments.

Mr. Cutler then explained why the Planning Board had included Alternative A, representing a "soft" policy toward Communist China. The Planning Board, he said, did not endorse such a soft policy or, indeed, any of the other alternatives set forth in the paper. Alternative A had been included to provide the Council with a rounded view of all the possible alternatives, ranging from the softest to the hardest policy, in order to facilitate full Council discussion.

Dr. Flemming inquired whether the Council had not, by virtue of its decision on paragraph 8 of Section III, already moved from the milder policy set forth in Alternative B (paragraph 13–a) in the direction of the stronger policy set forth in Alternative C (paragraph 14–a). Secretary Dulles replied that this was not necessarily the case, since paragraph 8 of Section III related to U.S. action with respect to the specific situation in Southeast Asia. Indeed, he said, if paragraph 14–a–(1), which called for the use of force to prevent any further expansion of Communist control in Asia, had been in force a year ago, the United States would have been obliged to go to war to prevent the Chinese Communists from taking control of Tibet.

Mr. Cutler then referred again to the majority view of the Joint Chiefs of Staff, indicating his own belief that the revised wording suggested by the Joint Chiefs of Staff for Alternative C actually constituted an improvement over the language of the Planning Board draft. Dr. Flemming agreed with Mr. Cutler's opinion, and suggested the desirability of basing the discussion on the JCS language. If adopted, their revised Alternative C would provide the Government with a better basis for planning, both military planning by the Joint Chiefs of Staff and mobilization planning by the ODM.

Admiral Radford said that he did not believe that the question of a planning basis was of prime importance. One thing at least that all the Chiefs agreed upon was the undesirability of getting into war on a piecemeal basis. The heart of the problem confronting U.S. policy in Asia was how to handle Communist China. A solution of that problem by all odds provided the best planning basis for the Joint Chiefs of Staff.

The President interrupted Admiral Radford to inquire whether the Admiral did not, after all, believe that what we really must do was to build up our position on a basis of military readiness. It was extremely hard to lay down in advance precisely what course of military action we would follow, but at least we know that we must be ready with a respectable level of military preparedness and thereafter decide what we ought to do if the contingency confronted us. Was not this, inquired the President, sufficient to provide the Joint Chiefs of Staff with an adequate basis for military planning?

Admiral Radford did not reply specifically to the President's question, but pointed out that owing to the fact that he had just returned from leave, he had not had an opportunity to digest fully the views of the Joint Chiefs of Staff on the present paper. Offhand, however, he said he was inclined to agree with the majority view (Navy, Air Force and Marines). On the other hand, he did not really understand General Ridgway's position, and had had no opportunity to discuss the matter with General Ridgway. Nevertheless, he was very skeptical of any policy based on trying to split Communist China and the Soviet Union. We had been trying to do precisely this ever since 1950, and with very scant success. He thought that the tie-up was something religious in nature, and he doubted the possibility of breaking it. Accordingly, if China continued to be Communist and continued to increase its power in mainland Asia, Japan would soon have no other course than to accommodate itself to Communism. In short, there would be no way to prevent all Asia from going Communist if Communist China's power continued to expand. With regard to our allies, it was, said Admiral Radford, obviously important to have them with us, but it might be necessary, in defense of the vital security interests of the United States, to act without our allies.

As for the soft policy in Alternative A, continued Admiral Radford, this appeared to him as merely an invitation to Communize all Asia. As for Alternatives B, C and D, so far as he could see they really didn't differ a great deal from each other, since if the United States undertook to carry out the policies in Alternative B or C, the situation envisaged in Alternative D would almost certainly come to pass, whether we liked it or not. After all Communist China had the initiative and would bring this situation into being. In short, if the Council adopted Alternative B or C, the United States would nevertheless be confronted with clear-cut cases which would call for the active intervention of the United States in Asia if we actually adhered to our policies. In illustration of his argument, Admiral Radford cited the fact that the Vietminh were not living up to their commitments under the armistice agreement. It was almost certain that within the next six months the Vietminh leaders would promote a situation in Vietnam which would call for action by the United States against them if we adopt the policies set forth in Alternatives B, C or D.

What will help the Chiefs of Staff most, said Admiral Radford in conclusion, will be to know clearly whether it is the national aim of the United States to have a friendly non-Communist China, or whether it is the aim of the United States to accommodate to a Communist China over a long period of time. The important thing for the National Security Council to realize is that unless it should adopt the soft policy in Alternative A, the rest of the paper was a "guessing exercise".

Mr. Cutler replied by pointing out to Admiral Radford that while language was difficult, the Planning Board had thought that there were very marked differences between Alternative B and Alternative D.

The President stated that he was in complete agreement with everything that Admiral Radford had said. There was no argument in his mind at all. In his view, it was hopeless to imagine that we could break China away from the Soviets and from Communism short of some great cataclysm. In any event, we should not count on such a split, although history did seem to indicate that when two dictatorships become too large and powerful, jealousies between them spring up. Then, and only then, is there a chance to split them apart.

Secretary Dulles said that he was inclined to believe that over a period of perhaps 25 years China and Russia would split apart because of the pressure of basic historical forces and because the religious fervor of Communism would have died down. The Chinese were very proud of their own history, and Chinese did not like Russians. In the end, therefore, they would split apart; the problem for us was whether we could play this thing for 25 years. Could we afford to wait that long for a split between these two enemies?

Governor Stassen answered Secretary Dulles' question by pointing out his own fear that the Chinese Communists were going to attempt to capture certain of the offshore islands near Formosa in a very short period of time—perhaps even before the November elections in the United States. This should be kept in mind, for while it might be true that dictatorships collapse after a certain period of years, such a collapse was by no means automatic, and would not occur unless the dictatorship were confronted by some great force. The basic fallacy in Alternative A, continued Governor Stassen, was the idea that you could split Communist China from Soviet Russia by wooing the Chinese. Actually, what we really should do is, when the Communist Chinese make their next aggressive move, to "take on" Communist China and make every effort to keep the USSR out of the ensuing war.

The President commented that he completely disagreed with the views expressed by General Ridgway with regard to Communist China. The idea, explained the President, that the destruction of the military power of Communist China was not in accordance with the long-range interests of the United States "scared the hell out of him" in view of the firm alliance between China and Russia. Secretary Wilson attempted to explain General Ridgway's position by pointing out that General Ridgway feared that if Communist China's military power were completely destroyed, the result would be a power vacuum into which Soviet Russia would surely move.

Mr. Cutler then pointed out the particular interest of the Vice President in the Asian area, and asked him to express his views. Initially the Vice President expressed his agreement with Secretary Dulles' view that any decision to change existing U.S. policy toward Communist China should be postponed for the time being. The Secretary of State and other experts in this field ought to cogitate on this problem for a long time and then bring the subject back to the Council for more discussion. Personally, however, and without any claims to being an expert, the Vice President said that he was at least convinced that China was the key to Asia. It was the great dynamic force in Asia and for that reason we could well afford to take a month to make up our minds finally on how to handle Communist China. The Vice President added that he felt that the policy set forth in Alternative A was wholly academic. This soft policy represented the official British position toward Communist China, but it was also the position shared by a number of non-Communist Americans, as was indicated by a recent speech by John Cowles. What, precisely, was involved in this position? What did it mean? It involved how much we were willing to trade with Communist China; whether or not we would recognize Communist China; whether and when Communist China should be admitted to the UN. Why, asked the Vice President, do the British think the way they do on this subject? Answering his own question, the Vice President believed that part of the explanation was a defensive reaction on the part of the British. They had recognized Communist China early in the game, and they now hated to admit their mistake. It was also significant that when one talked to Britishers out in the field in Asia, many of the most able of them, such as Templer and MacDonald, would freely admit that there wasn't a chance in the world that Mao would become a Tito.

Ultimately, said the Vice President, we would have to face the final decision whether to adopt a hard or a soft policy toward Communist China. Personally, he did not believe that any soft policy would work over the period of the next 25 or 50 years. On the contrary, he believed such a soft policy would result in complete Chinese Communist domination of Asia. All that, however, was a problem for the experts to decide. Let the current policy stand as it is until Secretary Dulles and other experts in the field can come up to the Council with a considered judgment, perhaps in a month or so.

Secretary Dulles expressed agreement with the Vice President's view that there was no necessity to choose between these alternatives at this time. What preoccupied him, continued Secretary Dulles, was to avoid getting the United States into a war which the whole world would believe we were wrong to be in. This did not mean, of course, that we should run away from anything or everything that might involve us in war with Communist China. On the other hand, Secretary Dulles reiterated that he did not wish to see the United States become involved in a major war where world public opinion would be wholly against the United States, because that, he said, was the kind of war you lose. World public opinion was a tremendous force which must be reckoned with.

The President reinforced Secretary Dulles' point by adding his own view that the United States could not afford to become involved in such a war even if the rest of the world would declare simply for neutrality.

The Vice President said that it seemed to him that there was an invariable tendency, when we discussed China or Russia, to assume that there were only two alternative courses of action open to us. In reality, the choice was not confined to war or coexistence. There was a third course.

The President asked if he could interrupt to inquire what the Vice President meant by the term "coexistence". The Vice President replied that a great many people meant by this term the policy which was reflected in Alternative A of the present paper. It meant putting your arms around the enemy and clasping them to your breast. Certainly the course we are thinking about is not the course that, rejecting war, we must appease Communist China. There was an area of action in between war and appeasement which we should explore, on the basis that in the long run Soviet Russia and Communist China can and must be split apart. If we were to follow Alternative A, Communist Chinese power would sweep over Asia. Coexistence in that sense we certainly reject. This, however, did not mean that we must go to war with Communist China. In fact, a tough coexistence policy may be in the long run the best method of driving a wedge between China and Soviet Russia.

Secretary Wilson commented that as he saw it, the Vice President was attempting to make a distinction between cohabitation and coexistence. Amidst laughter, the President said he thought Secretary Wilson had something there, and added that he was going to stop using the word coexistence because there was no real definition of its meaning. Secretary Wilson added that despite the terrific growth in the strength of Communist China, he had not given up hope that a free civilization could be created and maintained on the offshore island chain of Asia.

Governor Stassen said that he had one more point to make with respect to the discussion of world public opinion and the attitude of our allies. Whether or not the United States kept its allies would depend in large degree on whether these allies judged that the United States was proving successful in carrying out its policies, whether we were actually winning the struggle in Asia. In this connection, Governor Stassen warned of the extreme danger of any relaxation by the United States of its defense posture because the Communists elected to pursue a soft tactic.

Mr. Cutler then inquired whether the Council would act to request the Secretary of State to bring back his views on policy toward Communist China in a month's time, accepting meanwhile as U.S. policy Alternative C of the present paper as amended by the Joint Chiefs of Staff. The President endorsed this suggestion, and expressed the opinion that when the Secretary of State had studied the matter further we should very likely end up with essentially the views of Alternative C.

Mr. Cutler said that before the Council ended its meeting he had one or two questions to raise with respect to Formosa. In the first place, should the military defense of Formosa by the United States be extended to include other offshore islands than the Pescadores? The President turned to Admiral Radford and asked his opinion on Mr. Cutler's question.

Admiral Radford replied that it was his personal feeling that the United States simply could not afford to lose any more ground in the Far East, and that we should accordingly hold these islands. There are about six such islands presently held by Chinese Nationalist forces. Admiral Radford said he would hold all of these, including the island of Quemoy, despite the fact that this latter island was only five miles from the Chinese mainland. Mr. Cutler then suggested that the Council request the Department of Defense to provide a report on U.S. policy with respect to these islands. The Council concurred in this suggestion. The President commented that he had imagined that these islands were vital outposts for the defense of Formosa, and that we should go as far as possible to defend them without inflaming world opinion against us.

Secretary Dulles said he hated to introduce difficulties, but had any member of the Council given thought to the problem of Congressional authority in this matter? Admiral Radford expressed the thought that Congress had already acquiesced in our intention of defending these offshore islands, but Secretary Dulles insisted that the defense of all these islands would involve a material change in the existing orders to the Seventh Fleet. He added that President Truman had never taken Congress into his confidence with respect to the precise area involved in the defense of Formosa. If this area were to be enlarged, the risk of war would naturally be increased, and Congress should be aware of the situation.

Mr. Cutler suggested that the problem raised by Secretary Dulles should be included in the forthcoming report on the subject from the Defense Department. Admiral Radford explained the reasons why he believed that it was essential that we continue to assist in the defense of these offshore islands, including Quemoy. In the first place, most of these islands contained radar and other installations which greatly facilitate the defensive task of the Seventh Fleet. Secondly, and more general, the United States could not afford, psychologically and otherwise, to see more territory pass under the control of Communist China.

Mr. Cutler then said there was one further point to be settled. He reminded the Council that the Operations Coordinating Board and the Joint Chiefs of Staff have come up with recommendations with regard to an International Volunteer Air Group, which recommendations Mr. Cutler summarized.[10] The cost of setting up such an air group would be approximately $160 million, to which must be added a yearly operational cost of just under $100 million. The expense would, of course, largely be borne by the United States.

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[10] See the memorandum dated July 7, p. 603.

Secretary Wilson indicated at once that he was opposed to this proposal. Any international adventurers who want to join an outfit of this kind should join one which is already in existence. It would be terribly expensive to create a new one. Secretary Dulles commented that while he was not prepared to discuss the merits of this or any other particular proposal, the general idea back of the International Volunteer Air Group was a good idea, since use of such a force would permit the United States to become involved in military operations without being obliged to commit the prestige of the United States or going to all-out war. The Communists managed these things very effectively, and there was much merit in having the United States possess a force of this kind.

Admiral Radford indicated that the proposal for an International Volunteer Air Group was designed in good part to accomplish the purposes indicated by the Secretary of State. Indeed, it might have been of some use at Dien Bien Phu last April. This was water over the dam, but if we should ever again need such a force we could organize it at that time. Admiral Radford opposed the implementation of the OCB plan at the present time. Any planes that we now had available would be of greater service in the U.S. Air Force.

The National Security Council: [11]

a. Continued the discussion of the subject on the basis of the statement of policy in NSC 5429/1, the comments thereon of the Joint Chiefs of Staff (transmitted by the reference memorandum of August 13), and the reference reports by the Operations Coordinating Board.

b. Adopted paragraph 8 of Section III of NSC 5429/1, revised to read as follows:

> "8. *Action in the Event of Local Subversion.* If requested by a legitimate local government which requires assistance to defeat local Communist subversion or rebellion not constituting armed attack, the U.S. should view such a situation so gravely that, in addition to giving all possible covert and overt support within Executive Branch authority, the President should at once consider requesting Congressional authority to take appropriate action, which might if necessary and feasible include the use of U.S. military forces either locally or against the external source of such subversion or rebellion (including Communist China if determined to be the source)."

c. Agreed to accept Alternative C of Section IV of NSC 5429/1, subject to the following changes, as a basis for further consideration in the light of the review referred to in e below:

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[11] Lettered paragraphs a–g constitute NSC Action No. 1206. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

(1) Revise subparagraph a, as recommended by the Joint Chiefs of Staff, to read as follows:

> "a. (1) React with force, if necessary and advantageous, to expansion and subversion recognizable as such, supported and supplied by Communist China.
> "(2) React with immediate, positive, armed force against any belligerent move by Communist China."

(2) Revise subparagraph b, as recommended by the Joint Chiefs of Staff, to read as follows:

> "b. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries, including the progressive development of the military strength of Japan to the point where she can provide for her own national defense and, in time, contribute to the collective defense of the Far East."

(3) Revise subparagraph e, as recommended[1] by the Acting Director of Central Intelligence, to read as follows:

> "e. Create internal division in the Chinese Communist regime and impair Sino-Soviet relations by all feasible overt and covert means."

d. Agreed that Section IV of NSC 5429/1 should be transposed as Section I, and subsequent sections renumbered accordingly.

e. Agreed that the statement of policy on Communist China should be considered as a basis for further consideration in the light of a review by the Secretary of State and report to the Council within approximately a month.

f. Agreed that the Department of Defense should submit for Council consideration on September 9, 1954, recommendations as to U.S. policy in the event of a Chinese Communist attack on the offshore islands held by Chinese Nationalist forces.[12]

g. Adopted the recommendation of the Operations Coordinating Board, contained in the enclosure to the reference memorandum of July 19, 1954, that the plan for an International Volunteer Air Group be held for possible future use not only in Southeast Asia but in any part of the world where required.

Note: NSC 5429/1, as finally adopted, approved by the President, who directs its use as a general guide in the implementation of pertinent policies toward the Far East by all appropriate Executive departments and agencies of the U.S. Government, and designates the Operations Coordinating Board as the coordinating agency. NSC 5429/1, as adopted and approved, subsequently circulated as NSC 5429/2.[13] The action in e above subsequently transmitted to the Secretary of State. The action in f above subsequently transmitted to the Secretary of Defense. The action in g above subsequently transmitted to the Operations Coordinating Board.

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[12] For pertinent extracts from the memorandum of the NSC meeting of Sept. 9, see volume XIV.

[13] Dated Aug. 20, p. 769.

S. EVERETT GLEASON

Conference files, lot 60 D 627, CF 355

Memorandum of Conversation, by the Acting Officer in Charge of Pakistan-Afghanistan Affairs (Thacher) [1]

SECRET [WASHINGTON,] August 19, 1954.

Subject: Pakistan Views on SEAP Treaty

Participants: Syed Amjad Ali, Ambassador of Pakistan
EUR—Mr. Merchant
C—Mr. Galloway
SOA—Mr. Thacher

In preliminary remarks, Ambassador Ali said he had been informed by his government that Foreign Minister Zafrulla Khan would lead the Pakistan delegation to the SEAP conference, arriving in Manila September 3rd. The working party group representing Pakistan will be headed by Mr. Aga Hilaly, Acting Foreign Secretary, who expects to be in the Philippines by August 31.

Ambassador Ali came to the Department to discuss questions raised by his government concerning the preliminary draft of the South East Asia Pact.[2] With regard to Article II (Maintenance of capacity to resist armed attack and resist subversion) he sought to know whether it implied commitments on the part of the signatories to some specific amount of assistance, either military or economic, or should it be regarded rather as a general expression of sentiment or perhaps "mere phraseology."

Mr. Merchant said that Article II was intended as plenary language important to an expression of the general intent of the pact. He said the use of these words does not imply a specific commitment on the part of any of the powers and it does not create an obligation on Pakistan's part any more than it does on the part of the United States for the transfer of any form of assistance to another nation. The question of "means of self-help and mutual aid" will be subjects for the Council to discuss.

With regard to Article III (free institutions and economic measures) the Ambassador asked how the Pakistanis might visualize the implementation of the language of the article. Is it to be viewed as more than a mere declaration of intent? Apparently it would appear that no specific benefits are intended to accrue to the parties by the language of the article. The Ambassador wondered whether this article implies an organization parallel or supplanting the Colombo Plan.

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[1] Drafted on Aug. 23.

[2] Apparently the draft dated Aug. 5, p. 708.

Mr. Merchant said that the article is intended to reflect the growing community sense of the members without carrying any advance commitment to any specific type of organization or to any program of economic assistance. It should not be considered as an attempt to supplant or compete with programs such as the Colombo Plan. We would not, for example, expect to turn over to a SEAP organization our existing bilateral arrangements with other signatories to the Pact. We would in fact regard these commitments as carrying out the language of Article III. Under the provisions of the article it is conceivable that a useful discussion might be held among the parties relative to trade volume between them, trade barriers, and so on. Meetings among the signatories of the pact might include other countries not at present prospective signers, such as Burma. However, it is true that the United States does not visualize the treaty as a vehicle for economic aid to the members. Implementation would be through discussion by the Council.

The Ambassador wondered whether important fields of economic cooperation of the type indicated by Mr. Merchant were not already taken care of through such organizations as GATT, the World Bank, the International Monetary Fund, ECAFE and the Colombo Plan. He said he had rather assumed from some recent remarks of the Secretary that the United States was thinking of something more concrete in the economic clauses of the treaty.

Ambassador Ali then raised the question as to what geographic areas would be included within the intent of the pact. It was explained to the Ambassador that a new article was being prepared which would be delivered to him shortly, describing the areas which it was proposed to include within the treaty area. It was proposed to draw a line at 21 degrees, 30 minutes north latitude, just south of Formosa and just north of the northern-most islands of the Philippines, which would be the northern boundary of the treaty area. Thus Cambodia, Laos and the territory of Vietnam under the free Vietnamese Government would be included in the protected territory. By its terms the treaty invites other countries to become members with the unanimous agreement of existing signatories. Under the Geneva agreements Vietnam cannot join such a pact. It is less clear that Laos and Cambodia would be barred, but in any case there is no reason why these three countries may not be brought within the protective intent of the treaty signatories.

The Ambassador asked what types of action were contemplated under Article IV (armed attack or other threat to sovereignty of the parties), and whether each country would remain free to decide whether or not it would take action.

It was explained to Ambassador Ali that although the article was meant to include the possibility of the use of armed force as one means of meeting aggression, yet necessarily the character of that aggression would determine what sort of action would have to be taken to meet it. Certainly each party does retain the right to determine what action it should take.

Mr. Merchant explained that the fundamental purpose of the treaty is for nations which have the necessary conviction to place on record their intention to resist armed aggression by the communists. One of the greatest values of the treaty should be as a public statement of a character calculated to reduce the communist inclination to attempt aggression. No country can be forced into a war by a majority vote of the council. We do not see this as a parallel to the elaborate NATO arrangements for specific build-up of military forces in the North Atlantic area within certain time limits. Rather we are thinking primarily in terms of signatories' existing forces in being. Through the treaty a deterrent to the communists will be created, based not only on the strength of the countries in the area but on that of the United States and the United Kingdom also. However, it is not contemplated that SEAP would be activated by aggression in the NATO area.

Mr. Merchant wondered whether we might expect further comments from Karachi on the text of the treaty before the beginning of the conference. We had hoped that perhaps Pakistan might have some qualitative reaction if not actual suggestions for drafting changes. We feel that the activation of such an agreement is long overdue. But we would try to know in advance that we are going to have a successful convention.

The Ambassador stated that in his personal view there were no important differences between Pakistan's desires as to what principles should be included and those of the United States. He remarked that Philippine representatives in Washington had expressed to him their desire for a NATO-type organization but that he had pointed out a number of differences between the situation in the Atlantic community and that in Southeast Asia, principally in that almost all of the European nations concerned had joined NATO arrangements. This would not be the case in Southeast Asia. Further, in Europe there had been a much more immediate threat of aggression from the Russians than existed, in the Ambassador's opinion, from the Chinese Communists. The organization contemplated by SEAP would be too small to deal with direct aggression which would have many world-wide repercussions. Thus SEAP should perhaps be principally concerned with internal subversion. He declared that to Pakistan the possible adherence of Burma was of more importance than that of India in view of Burma's position as a logical priority target for Chinese aggression. Such aggression would bring communist expansionism very close to East Pakistan. He said he believed that Pakistan would desire more than just a declaration of intent, such as the treaty contained, but that this was up to the more powerful countries to decide. Possibly anything more specific would go beyond U.S. capacity and willingness.

Mr. Merchant stressed that we were anxious to strengthen and contribute to the defense of those countries which wish to be counted as willing to join in collective efforts to oppose communist aggression. On the other hand we would not wish by our support for this organization to arouse excessive expectations of American military aid on the part of any country.

The Ambassador stated that if the treaty emerged as simply nothing more than a declaration of intent, then the other Colombo powers, whom Pakistan has decided to buck in attending the SEAP conference, might well take the position that Pakistan had differed from the general sentiment of its close neighbors for very little purpose.

It was stressed to the Ambassador that the force of the treaty was much more than a mere declaration of intent, and that in creation of a deterrent to communist aggression, a step was taken of substantial value to Pakistan's national security.

The Ambassador said that he understood this, and that in fact it was for this reason that Pakistan was going to be at the conference in Manila.[3]

(Latest redrafts of the treaty were delivered to the Ambassador August 20.)[4]

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[3] In telegram 230 from Karachi, Aug. 24, Ambassador Hildreth reported: "Foreign Office apparently concerned over attitude GOP should take toward SEATO. Hilaly expresses fears GOP by joining might be isolated from other south Asian countries thus unable exert influence." (396.1 MA/8-2454)

[4] Perhaps a reference to SEAP D-2/5a of that date, "Revised Preamble and Articles II, III, IV, VII and New Article VIII", not printed. (Conference files, lot 60 D 627, CF 348) All the revisions in SEAP D-2/5a of the draft dated Aug. 5 are included in the working draft printed under date of Aug. 24, p. 784.

790.5/8–1954

Memorandum From the British Embassy to the Department of State [1]

SECRET [Undated.]

SEADO—UNITED KINGDOM VIEWS

Article III

The following is a provisional suggestion for a redraft of this article:

"The parties recognise that their common aims cannot be realised without measures designed to promote economic prosperity, social progress and cultural advancement. The parties furthermore agree that in the development of such measures economic and technical assistance can play an important part in supplementing the efforts of individual Governments in achieving these aims."

Designation of Viet Nam

2. The following wording is suggested:

"The area of Viet Nam south of the provisional military demarcation line defined by the agreement of July 20, 1954 on the cessation of hostilities in Viet Nam,[2] this designation to lapse on the unification of Viet Nam by the elections prescribed in the final declaration of the Geneva Conference on Indo-China."

Article IV (1)

3. Delete all after "on any of the parties" and substitute "or on the states or territories in that area designated by the parties in the protocol of designation annexed hereto, or subsequently designated by unanimous agreement of the Council, would endanger etc."

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[1] Handed to a representative of the Department by Joy the morning of Aug. 19.
[2] For text, see vol. XVI, p. 1505.

Conference files, lot 60 D 627, CF 358

United States Minutes of a Meeting of the ANZUS Council Deputies

SECRET [WASHINGTON,] August 19, 1954.

Participants: *United States*
Mr. Merchant, Assistant Secretary, EUR, Acting for the Under Secretary
Mr. Robertson, Assistant Secretary, FE
Mr. Phleger, Legal Adviser
Mr. William J. Galloway, C

Mr. John P. Furman, L/E
Mr. Outerbridge Horsey, BNA

Australia
Ambassador Spender
Mr. Allen, First Secretary

New Zealand
Ambassador Munro
Minister Laking

United Kingdom (informal observers)
Sir Robert Scott, Minister
Mr. M.G.L. Joy, First Secretary

The meeting began at 3:00 p.m. and adjourned at 4:50 p.m. The proceedings were informal and no "agreed record" was kept. The meeting was for the purpose of discussing further the content of a South East Asia treaty. A proposed U.S. redraft of the preamble, Articles II, III, IV, VII and VIII was circulated [1] and likewise a memorandum of U.K. views on Article III, on the form of designation of Vietnam and on Article IV(1).[2]

Mr. Merchant noted that we still lacked comments on our second draft of a South East Asia treaty from the French, the Pakistani and the Philippinos. We were pressing for such comments and would appreciate any such assistance which other governments could give us along the same line. Mr. Merchant said it was important that we should be in substantial agreement at the time the Foreign Ministers meet. Sir Robert Scott said that the British views were those of officials and were subject to review by Eden when he returns to London at the end of August. All present recognized the advantage of narrowing the area of discussion for Manila, but Ambassador Spender also said that his principals would doubtless wish to be free to make substantial suggestions at Manila.

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[1] Apparent reference to SEAP D-2/5 dated Aug. 19, not printed. The Preamble and Articles II, III, and VIII in SEAP D-2/5 are identical to the equivalent parts of the U.S. working draft printed under date of Aug. 24, p. 784.

Article IV in SEAP D-2/5 reads as follows:

"1. Each Party recognizes that Communist aggression by means of armed attack in the treaty area against any of the Parties or against Cambodia, Laos, or the territory under the jurisdiction of the free Vietnamese Government, or against any States or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it would act to meet the common danger in accordance with its constitutional processes.

"2. If, in the opinion of any of the parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area is threatened by armed attack or is affected or threatened by any other fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense and for the maintenance of peace and security in the area.

"3. Measures taken under this Article in the exercise of the right of individual or collective self-defense against armed attack shall be immediately reported to the Security Council of the United Nations." (Conference files, lot 60 D 627, CF 348)

[2] *Supra.*

Organization. Mr. Merchant emphasized that from the outset we had felt it was not desirable or necessary to model the new enterprise on NATO, with its elaborate permanent machinery and large standing forces. In the last day or two we had come to feel more strongly that we should simply have an article creating a Council unembellished by organizational trappings, i.e., a Council of Foreign Ministers which would meet at times and sites of its own choosing, leaving the question of standing machinery to develop from subsequent experience. Ambassador Spender asked if this meant that we wished to postpone consideration of the question or that we would simply leave it out of the treaty but have an understanding at the time of signature as to whether forces were to be committed to the area and whether there should be command and staff organization under the treaty. Ambassador Spender referred a number of times to his Government's desire to know in specific terms the extent of their commitments and he said that the Prime Minister had said publicly that the treaty would spell out Australian commitments in detail. After later discussion on this point, it seemed the general feeling that these problems would develop best in the interests of all concerned if it were not attempted to settle them definitively at too early a stage.

Scope of Treaty. Mr. Merchant outlined the thinking behind our redraft of Article IV (which carried with it a change of language in the preamble) intended to particularize the threat against which the parties were banding together, without leaving the treaty open to application in circumstances not intended by the parties, as, for example, to conflicts between non-communist states within the treaty area. This had led to use [of] the word "Communist aggression" as the best means of achieving this end. There was considerable discussion of Article IV and of the type of situation which would lead to action by the parties under each of the two paragraphs. The advantages of the new language were recognized, but the other representatives indicated that they would need to refer the new draft to their respective capitals.

Sir Robert Scott mentioned the provision for reporting to the Security Council measures taken under Article IV which had been in an earlier draft and there was general agreement that this should be re-instated at the end of paragraph IV (1).

Sir Robert Scott asked whether the words "maintain and develop" in the new Article II implied any financial or economic commitment and there was agreement that they did not.

There appeared to be general agreement, at least on a personal basis, that our redraft of Articles II and III represented an improvement. Sir Robert Scott noted that the new language of Article III covered the points he had been instructed to raise and he reserved his language until he had comments from London on our draft.

Vietnam. The manner of designation was discussed and the advantages of describing it as "the territory under the jurisdiction of the Free Vietnamese Government" were recognized.

Ambassador Spender said he was under instructions to suggest the advantage of having language in the treaty which would overcome Asian misgivings and make clear that the treaty would not be used to interfere in the internal affairs of other countries. He did not wish to discuss specific language in detail but noted that his Minister would want to take care of this issue. It was suggested that, if suitable language could not be found, the subject could be covered in speeches by the Ministers at the Conference, or in the final communiqué. Sir Robert Scott suggested that it was already covered by the provision of Article VI reserving the rights and obligations of the parties under the UN Charter taken in conjunction with Article 2 (7) of the Charter.

Sir Robert Scott said that he had been instructed to say that it was important, from the point of view of Asian comment, that the treaty recognize the need for parallel economic measures. The British have an open mind as to whether the treaty should contain merely a statement of principle, as at present, or more detailed specifications. They do not wish to disturb present bilateral and multilateral arrangements in the area. They thought there should be a two-tier structure in terms of economic organization, leaving existing arrangements undisturbed and creating new machinery to give effect to new defense support measures. Even if provisions to this effect are not incorporated in the treaty, the British thought that the Foreign Ministers should be in position to make some statement of their economic aims before the end of the meeting.

Mr. Merchant noted that we thought it best not to use the Council as a vehicle for economic measures. Ambassador Munro agreed. Ambassador Spender concurred with the British statement as to making clear the economic aims during the conference.

Reverting to *organization*, Sir Robert Scott said he had received tentative comments from the Chief of Staff, but he emphasized that they did not yet have governmental approval.

On the military side, Scott said that the Chiefs of Staff thought there should be a Military Council at the Chief of Staff level, meeting from time to time, and a Military Executive Committee. In addition, there should be a small permanent secretariat for intelligence and other purposes.

On *forces*, the ideal would be a strategic mobile reserve concentrated in the area but it was doubted that this could be managed and probably we would have to do the best we could with some forces in the area, others earmarked for the treaty area, to be reinforced after the outbreak of hostilities.

On the *site* of the Secretariat, Scott said that if there were any permanent organization, the British wished to make a strong plea for Singapore since it met the tests as to location, security, accessibility and communications. The British thought its colonial status irrelevant.

It was agreed to circulate to all the conference parties the new U.S. draft, with the changes proposed at this meeting.

On arrangements for the conference, it was agreed that the Working Party would assemble on September 1 at Manila and there was discussion of other arrangements.

Next Meeting. Mr. Merchant thought that there should be at least one more meeting next week, after we had the comments of those from whom we had not yet heard, or when any of the other parties present wished to have one called. He said it would be useful at that time to consider any comments from their own respective capitals on the new draft which was now being circulated.

790.5/8-1954

The British Minister (Scott) to the Assistant Secretary of State for European Affairs (Merchant)

CONFIDENTIAL WASHINGTON, 19th August 1954.

DEAR LIVY: At this afternoon's meeting [1] I promised to give you a note of our present tentative thinking in regard to economic aid.

We consider it important from the point of view of Asian opinion that the eventual South East Asia Treaty should in addition to its purely military objectives, recognise the need for parallel economic measures. We have an open mind as to whether the Treaty should initially confine itself to a statement of principles as at present envisaged in Article 3 or whether we should attempt to reach agreement now on more detailed executive provisions.

We are inclined to think that the only practical possibility would be the provision of economic aid to South East Asia on a two-tier basis. We should wish to see maintained, and possibly intensified, existing activities under the Colombo Plan in regard to those countries not members of S.E.A.T.O. Similarly the schemes for United Nations technical assistance and Point Four aid would remain undisturbed. At the same time there would be some new machinery for giving aid in support of defense measures to members of S.E.A.D.O.

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[1] See the minutes, *supra*.

Even if no definite economic programme can be incorporated in the Treaty we think it of great importance that the Foreign Ministers should be prepared to make some statement of economic aims before the meeting is concluded.

I am sending a copy of this letter to the Australian and New Zealand Ambassadors.

Yours sincerely,

R. H. SCOTT

790.5/8-1954

The Acting Secretary of Defense (Anderson) to the Deputy Under Secretary of State (Murphy)

SECRET WASHINGTON, August 19, 1954.

DEAR MR. MURPHY: I refer to your letter of 16 August 1954 [1] in which you requested an early indication of the views of the Department of Defense in regard to military machinery under the proposed Southeast Asia Pact.

As expressed in a letter of 17 August 1954 from Secretary Wilson to the Secretary of State, the Department of Defense considers that military machinery necessary to make the Treaty effective should be similar to the ANZUS arrangements. As you know, one Military Representative from each of the signatory Governments is accredited to the ANZUS Council. These Representatives advise the Council on problems of military cooperation that may arise in connection with the application of the Treaty, consider and make recommendations to their respective Chiefs of Staff, and furnish to the Council those recommendations which have received approval of their respective Chiefs of Staff. They meet periodically, as required, and rotate the site of their meetings among the countries concerned. CINCPAC is accredited to the Council as the U.S. Military Representative, and there are liaison officers assigned by each Government to the offices of the Military Representatives of the others to provide for continuity of effort among the Representatives.

Among the military considerations underlying establishment of the ANZUS military machinery was concern lest an organization should be created for the development of combined regional military plans along the NATO pattern. Such an organization under the ANZUS agreement was felt to be inimical to U.S. interests in that it could provide a means by which pressure could be exerted to commit the United States to a military effort disproportionate to its over-all responsibilities and commitments; it could tend to reduce, without compensating military advantage, United States military freedom of action; and it could give other countries of the Pact power of veto over the type and scope of plans evolved.

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[1] Not printed.

The Department of Defense, while recognizing that the proposed Southeast Asia Pact does not reflect a situation identical to that of the ANZUS Treaty, nevertheless believes that the above considerations remain generally applicable, and that the Military Representatives of the signatory Parties to a Southeast Asia Pact should function in a consultative arrangement which could lead to the development of national plans so coordinated as to increase the mutual effectiveness of the defensive effort of the countries concerned. In this connection an exchange of planning information among the Military Representatives would be feasible and useful. Mechanical arrangements, such as the site of the meetings, would be of secondary importance. Due to the large number of signatories to a Southeast Asia Pact, it might be most feasible to establish the seat of the meetings in one of the capitals.

With respect to interim military machinery that might be set up until the Treaty is ratified and comes into effect, this matter would seem necessarily to depend on the character of the interim political machinery established during the period. Assuming that an interim Council would be formed along lines mentioned in your informal memorandum of 22 July 1954,[2] it would appear reasonable and consistent with the above views regarding military machinery that each of the signatory Parties should designate a military liaison officer of field grade who could act as an adviser to the diplomatic representative. These liaison officers could form the basis of the military machinery after the Treaty comes into effect.

Rather than establishing a separate headquarters, diplomatic and military personnel accredited to the Council could be associated with the Embassies of the signatory Parties in the host capital, and in this way avoid the creation of a permanent staff.

As expressed in the above mentioned letter of Secretary Wilson, this Department continues to believe that it would be premature to discuss military machinery, other than in general terms such as those set forth above, during the negotiations at the conference of Foreign Ministers in Manila. In subsequent consultations, possibly by the interim Council, details could be worked out in response to specific requirements rather than formulated in advance.

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[2] Not found in Department of State files.

The above views, although not definitive, reflect the thinking of this Department at this time.

Sincerely yours,

R. B. ANDERSON

790.5/8-1954: Telegram

The Chargé in Cambodia (Goodman) to the Department of State [1]

SECRET PHNOM PENH, August 19, 1954—7 p.m.

73. Prime Minister told me yesterday that with Foreign Minister back at work Cabinet will soon make formal study of Cambodia's post-Geneva security needs and international relationships, with particular attention to question of desirability make representations for possible membership Southeast Asia security organization. He emphasized his opinion that completely sovereign Cambodia has clear right to associate itself with any international grouping, and Geneva agreement recognized this right within limitations for regional organizations established by UN charter. He said further that before Geneva he had many times told visiting US statesmen of Cambodia's desire associate in such pact, but freely like any other member and not through intermediary of France or any other nations. This remains *sine qua non* of possible Cambodian involvement any alliance.[2]

GOODMAN

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[1] Sent also to Saigon and repeated for information to Bangkok and Paris.

[2] In telegram 31 to Phnom Penh dated Aug. 24 (repeated for information to Paris and Saigon), the Department replied:

"We have discussed question of Cambodian relationship to proposed SEATO with Cambodian Ambassador and Nong Kimny is in agreement that it will suffice for Cambodia's present needs if it be given protection of any collective security pact without formal Cambodian participation in this new organization. Kimny said yesterday he would write PriMin and counsel him that Cambodians should follow policy of being silent partners." (790.5/8-1954)

S/S-NSC files, lot 63 D 351, NSC 5429/2

Note to the National Security Council by the Executive Secretary (Lay)

TOP SECRET [WASHINGTON,] August 20, 1954.

NSC 5429/2

REVIEW OF U.S. POLICY IN THE FAR EAST

References:

A. NSC Action Nos. 1204 and 1206

B. NSC 125/2 and 125/6; NSC 146/2; NSC 166/1; NSC 170/1; NSC 171/1; NSC 5405; NSC 5409; NSC 5413/1

C. NSC Action No. 256

D. NSC Action Nos. 1086–b, 1104–b and 1112

E. NSC 5416

F. Progress Report dated August 6, 1954 by the Operations Coordinating Board on NSC 5405

G. Progress Report, dated July 29, 1954 by the Operations Coordinating Board on NSC 5409

H. Memo for NSC from Executive Secretary, subject, "United States Objectives and Courses of Action with Respect to Indonesia", dated July 12, 1954 transmitting a Progress Report dated July 1, 1954 by the Operations Coordinating Board on NSC 171/1

I. Progress Report dated July 16, 1954 by the Operations Coordinating Board on NSC 146/2

J. Memo for NSC from Acting Executive Secretary, subject, "United States Objectives and Courses of Action with Respect to Southeast Asia", dated July 19, 1954

K. Memo for NSC from Executive Secretary, subject, "U.S. and Free World Controls over Transactions with Communist China", dated March 3, 1954

The National Security Council, Mr. Tuttle, for the Secretary of the Treasury, and the Director, Bureau of the Budget, at the 211th Council meeting on August 18, 1954, adopted paragraph 8 of Section III of NSC 5429/1, subject to the changes therein which are set forth in NSC Action No. 1206–b.[1]

The Council also agreed to accept the statement of policy on Communist China in Alternative C of Section IV of NSC 5429/1, subject to the changes indicated in NSC Action No. 1206–c, as a basis for further consideration in the light of a review by the Secretary of State and report to the Council within approximately a month. (NSC Action No. 1206–e)

In connection with this action the Council also agreed (NSC Action No. 1206–f and g):

(1) that the Department of Defense should submit for Council consideration on September 9, 1954, recommendations as to U.S. policy in the event of a Chinese Communist attack on the off-shore islands held by the Chinese Nationalist forces.

(2) to the adoption of the recommendation of the Operations Coordinating Board, contained in the enclosure to the reference memorandum of July 19, 1954, that the plan for an International

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[1] See footnote 11, p. 756.

Volunteer Air Group be held for possible future use not only in Southeast Asia but in any part of the world where required.

The President has this date approved NSC 5429/1 as adopted by the Council and enclosed herewith, with the understanding that the statement of policy on Communist China in Section I of the enclosure should be considered as a basis for further consideration in the light of a review by the Secretary of State and report to the Council within approximately a month. The President directs the use of Sections II–IV of the enclosure as a general guide in the implementation of pertinent policies toward the Far East by all appropriate Executive departments and agencies of the U.S. Government; and designates the Operations Coordinating Board as the coordinating agency for these sections.

Accordingly, NSC 5429/1 is hereby superseded.

Also enclosed for Council information are the annexes originally contained in NSC 5429.

JAMES S. LAY, JR.

[Here follows a table of contents.]

[Enclosure]

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON REVIEW OF U.S. POLICY IN THE FAR EAST [2]

PREFACE

Consequences of the Geneva Conference

Communist successes in Indochina, culminating in the agreement reached at the Geneva Conference, have produced the following significant consequences which jeopardize the security interests of the U.S. in the Far East and increase Communist strength there:

a. Regardless of the fate of South Vietnam, Laos and Cambodia, the Communists have secured possession of an advance salient in Vietnam from which military and non-military pressures can be mounted against adjacent and more remote non-Communist areas.

b. The loss of prestige in Asia suffered by the U.S. as a backer of the French and the Bao Dai Government will raise further doubts in Asia concerning U.S. leadership and the ability of the U.S. to check the further expansion of Communism in Asia. Furthermore,

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[2] All sections of NSC 5429/2 except Annexes B and C are printed in Department of Defense, *United States-Vietnam Relations, 1945–1967*, Book 10, pp. 835–852. Annex C, a memorandum to the Secretary from Phleger entitled "Geneva Armistice Agreement Restrictions on Cambodia, Laos, and Vietnam", July 27, is printed in vol. XVI, p. 1552.

U.S. prestige will inescapably be associated with subsequent developments in Southeast Asia.

c. By adopting an appearance of moderation at Geneva and taking credit for the cessation of hostilities in Indochina, the Communists will be in a better position to exploit their political strategy of imputing to the United States motives of extremism, belligerency, and opposition to co-existence seeking thereby to alienate the U.S. from its allies. The Communists thus have a basis for sharply accentuating their "peace propaganda" and "peace program" in Asia in an attempt to allay fears of Communist expansionist policy and to establish closer relations with the nations of free Asia.

d. The Communists have increased their military and political prestige in Asia and their capacity for expanding Communist influence by exploiting political and economic weakness and instability in the countries of free Asia without resort to armed attack.

e. The loss of Southeast Asia would imperil retention of Japan as a key element in the off-shore island chain.

COURSES OF ACTION

*I. Communist China**

1. Reduce the power of Communist China in Asia even at the risk of, but without deliberately provoking, war:

a. (1) React with force, if necessary and advantageous, to expansion and subversion recognizable as such, supported and supplied by Communist China.

(2) React with immediate, positive, armed force against any belligerent move by Communist China.

b. Increase efforts to develop the political, economic and military strength of non-Communist Asian countries, including the progressive development of the military strength of Japan to the point where she can provide for her own national defense and, in time, contribute to the collective defense of the Far East.

c. Maintain political and economic pressures against Communist China, including the existing embargo and support for Chinese Nationalist harassing actions.

d. Support the Chinese National Government on Formosa as the Government of China and the representative of China in all UN agencies.

e. Create internal division in the Chinese Communist regime and impair Sino-Soviet relations by all feasible overt and covert means.

II. The Off-Shore Island Chain

2. The United States must maintain the security and increase the strength of the Pacific off-shore island chain (Japan, Ryukyus, Formosa, Philippines, Australia and New Zealand) as an element essential to U.S. security. To this end:

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* Section I is to be considered as a basis for further consideration in the light of a review by the Secretary of State and report to the Council within approximately one month. [Footnote in the source text.]

a. Initiate and support appropriate measures which will contribute to strengthening the economy of Japan, its internal political stability and its ties with the free world.

b. Increase the military strength of Japan and the Philippines, improve the effectiveness of existing military strength of the Republic of Korea and of Formosa, and continue participation in ANZUS.

c. Provide related economic assistance to the local governments in those cases where the agreed level of indigenous military strength is beyond the capacity of the local economy to support.

d. Encourage the conditions which will make possible the formation of, and be prepared to participate in, a Western Pacific collective defense arrangement, including the Philippines, Japan, the Republic of China, and the Republic of Korea, eventually linked with the Southeast Asia security structure and ANZUS.

e. Intensify covert and psychological actions to strengthen the orientation of these countries toward the free world.

III. General Political and Economic Measures in the Far East†

3. Encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible, based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the U.S. and other appropriate Western countries through which, by united action, these free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence.

4. Take all feasible measures to increase the opportunities of free Asian countries for trade with each other and with other free world countries.

5. Provide technical assistance to help develop political stability and economic health.

6. Develop and make more effective information, cultural, education and exchange programs for the countries concerned.

IV. Southeast Asia

7. *General.* The U.S. must protect its position and restore its prestige in the Far East by a new initiative in Southeast Asia, where the situation must be stabilized as soon as possible to prevent further losses to Communism through (1) creeping expansion and subversion, or (2) overt aggression.

8. *Security Treaty.* Negotiate a Southeast Asia security treaty with the UK, Australia, New Zealand, France, the Philippines, Thailand and, as appropriate, other free South and Southeast Asian countries willing to participate, which would:

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†See also Annex B to NSC 5429. [Footnote in the source text. Annex B to NSC 5429 is identical to Annex B to this paper.]

a. Commit each member to treat an armed attack on the agreed area (including Laos, Cambodia and South Vietnam) as dangerous to its own peace, safety and vital interests, and to act promptly to meet the common danger in accordance with its own constitutional processes.

b. Provide so far as possible a legal basis to the President to order attack on Communist China in the event it commits such armed aggression which endangers the peace, safety and vital interests of the United States.

c. Ensure that, in such event, other nations would be obligated in accordance with the treaty to support such U.S. action.

d. Not limit U.S. freedom to use nuclear weapons, or involve a U.S. commitment for local defense or for stationing U.S. forces in Southeast Asia.

The U.S. would continue to provide limited military assistance and training missions, wherever possible, to the states of Southeast Asia in order to bolster their will to fight, to stabilize legal governments, and to assist them in controlling subversion.

9. *Action in the Event of Local Subversion.* If requested by a legitimate local government which requires assistance to defeat local Communist subversion or rebellion not constituting armed attack, the U.S. should view such a situation so gravely that, in addition to giving all possible covert and overt support within Executive Branch authority the President should at once consider requesting Congressional authority to take appropriate action, which might if necessary and feasible include the use of U.S. military forces either locally or against the external source of such subversion or rebellion (including Communist China if determined to be the source).

. . . .

Annex A

SECRET

FAR EAST

Proposed Assistance Programmed for FY 1954–FY 1955

(Millions of dollars)

	FY 1954				*FY 1955*			
Country	*Military*	*Economic*[‡]	*Others*[§]	*Total*	*Military*	*Economic*[‡]	*Others*[§]	*Total*
Associated States	[‖]1,093.0	25.0	.5	1,118.5	[¶]1,108.5	21.0	3.5	1,133.0
Burma	—	—	[**]3.0	3.0	—	—	.5	.5
Formosa	[††]326.0	82.0	.3	408.3	[‡‡]108.0	63.0	3.0	174.0
Indonesia	—	—	3.5	3.5	—	—	5.1	5.1
Japan	[§§]77.6	[‖‖](10.0)	2.7	80.3	[§§]102.1	—	3.2	105.3
Korea	[¶¶]5.3	[*]320.1	.6	326.0	[¶¶]5.4	[*]252.0	1.3	258.7

(Millions of dollars)

	FY 1954				FY 1955			
Country	*Military*	*Economic‡*	*Others§*	*Total*	*Military*	*Economic‡*	*Others§*	*Total*
Malaya	—	—	1.5	1.5	—	—	1.5	1.5
Philippines	7.7	†15.0	†1.7	24.4	4.4	12.4	9.2	26.0
Thailand	41.7	—	9.9	51.6	‡17.7	—	6.4	24.1
Totals	1,551.3	442.1	23.7	2,017.1	1,346.1	348.4	33.7	1,728.2

FY 1954 and FY 1955 Total—$3,745.3

Special Notes: a) Programmed amounts are from FY 1955 Congressional Presentations of the Foreign Operations Administration, U.S. Information Agency, and the Educational Exchange Division of the Department of State, made prior to the conclusion of the Geneva Conference.

b) Funds which might become available from the sale of U.S. surplus agricultural commodities are not included.

c) Direct U.S. Department of Defense expenditures in the area, which have an important effect on the economy of each country are in addition to the above programmed amounts.

‡"Economic" includes Economic Assistance and Mutual Defense Support. [This and following footnotes are in the source text.]

§"Other" includes Technical Assistance, Information Services and Educational Exchange.

||This amount includes: Mutual Defense Assistance—$348 million and Direct Forces Support—$745 million.

¶This amount was programmed prior to the Indochina Armistice as: Mutual Defense Assistance—$308 million and Direct Forces Support—$800 million. A similar amount has been requested of the Congress for support of U.S. policy in the general area.

**The Technical Assistance for Burma was terminated on June 30, 1954 when the deliveries made from contracts placed in prior years were completed. The termination was made at the request of the Burmese Government.

††This amount includes: Mutual Defense Assistance—$296 million and Direct Forces Support—$30 million.

‡‡This amount includes: Mutual Defense Assistance—$83 million and Direct Forces Support—$25 million.

§§This does not include material already transferred or to be transferred from the Department of Defense FECOM Reserve. As of March 31, 1954, matériel with a replacement value of $400 million was earmarked for transfer.

||||This amount is to be financed by sales proceeds under Section 550 of the Mutual Security Act of 1953, as amended.

¶¶This figure represents only the costs for training Koreans in the U.S. The bulk of U.S. assistance to Korea is provided directly by the Department of Defense through Defense appropriations. Such direct military assistance, not included in the figures above, were approximately $500 million in FY 1954 and should be approximately $400 million in FY 1955.

*This amount represents all funds expended under the Korean Relief and Rehabilitation Program.

†This amount includes both Economic and Technical Assistance for this year.

‡A $25 million U.S. commitment to Thailand is in addition to these figures and will have to be financed by a transfer from other programs in the area.

Annex B

A SUPPLEMENTARY EXPLANATION OF SECTION III—"GENERAL POLITICAL AND ECONOMIC MEASURES IN THE FAR EAST"

(Prepared by the Foreign Operations Administration)

FOA believes that the following are illustrative of the actions which a Far East-South Asia economic grouping might adopt:

a. An interchange of experience in development programs and techniques.

b. The elimination of conditions restricting mutually beneficial trade.

c. Joint consideration of the forms of outside aid that most effectively would supplement their own efforts, and the integration of that aid (U.S., Colombo Plan, UN).

d. Action to ameliorate conditions adversely affecting important crops and raw materials of the area.

e. Regional coordination in economic development.

f. Regional organizational arrangements that would facilitate continuing collaboration and united action on these and related matters.

Conference files, lot 60 D 627, CF 348

The Australian Embassy to the Department of State [1]

TOP SECRET

SEATO—AUSTRALIAN VIEWS

1. Scope and Nature of Military Planning

Canberra has requested information on U.S. thinking on the following questions:

(a) What is to be the scope and nature of military planning under SEATO?

(b) Will planning go to such an extent that we will know that specified forces, including U.S. forces, will be available at specified places for specified purposes under specified circumstances?

(c) When and where will this planning be done?

(d) What are the contingencies that may be expected to arise?

(e) With what resources are such contingencies to be met?

(f) What commitments may be expected from SEATO members?

Canberra feels that unless SEATO members are prepared to join in the planning with the definite understanding that certain forces will be available in certain contingencies, SEATO will be of only limited help in planning for the defence of South East Asia. Moreover, SEATO would fall short of what the Australian public expects. In addition it would run the risk of being a treaty that would bind all of us to support military action without any prior planning or understandings as to the form or availability of forces. It is important for us to know this. The Prime Minister has presented SEATO to Parliament as an arrangement which will define our task, give clarified direction to our defence organisation, mark out our zone of possible operations, and show us the nature and size of the forces we need.

2. U.S. Military Representation

Has any decision been taken on U.S. military representation at the Conference? If so, at what level?

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[1] This undated paper is included in the Conference series as SEAP D-2/6. It is attached to the following covering note (dated Aug. 20) by Trulock:

"Attached is a memorandum given us by the Australian Embassy requesting information for Canberra on US thinking on a number of questions and outlining certain Australian views."

3. Non-Interference

It is suggested that the Article on non-interference in internal affairs might run along the following lines:

"Nothing in this treaty should be taken as authorising any action on the part of the Council or its subsidiary bodies which constitutes any infringement of sovereignty of any party or intervention in its internal affairs."

We should like, however, to see this Article in the context of the completed drafted text, as we feel we should satisfy ourselves that our freedom of activity in countering subversion will not be limited.

396.1 MA/8-2254: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

CONFIDENTIAL MANILA, August 22, 1954—1 p. m.

534. Reference Embtel 535.[2] Following is "Philippine declaration of principles" which Philippine Government wishes Department circulate among Washington representatives SEAP countries.

"The Foreign Ministers (or Prime Ministers and heads of state) of blank.

Desiring to establish a firm basis for common action to insure and maintain peace and security in Southeast Asia, in accordance with the purposes and principles announced in the Charter of the United Nations,

Convinced that common action to this end, in order to be worthy and effective, must be inspired by the loftiest principles of justice and liberty;

Do hereby proclaim the adherence of their respective governments and peoples to the following principles:

First, they uphold the principle of self-determination and the right of peoples to self-rule and independence;

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[1] The Embassy requested the Department to pass this telegram on to the Department of Defense.

[2] In this telegram of the same date, the Embassy informed the Department that the "declaration of principles" had the support of both government and opposition parties in the Philippines. The greatest part of the telegram is a report on the insistence of the Philippine Government that the armed forces of the Philippines should receive a substantial increment of military assistance from the United States. It continues: "Finally, Neri was instructed by President to say [in a conversation held on Aug. 21 with Lacy] that, as measure President's great concern that Philippines proposals buildup AFP receive sympathetic consideration US, President considers that Philippine participation SEAP would be pointless in absence reasonable US assurances on this point." (396.1 MA/8-2254)

Second, they are committed to continue taking effective practical measures to ensure the progress of peoples towards self-rule and independence;

Third, they desire to collaborate fully with each other and with other countries of this region in the economic, social and cultural fields in order to bring about higher living standards, economic progress and social security;

Fourth, they are determined to act jointly and severally to repel by every means within their power any attempt to subvert the freedom or to destroy the sovereignty and territorial integrity of the free and independent states of Southeast Asia and the South West Pacific." [3]

SPRUANCE

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[3] Chargé Leuterio, in a conversation with Department officials on Aug. 24, is reported to have said that the Philippine Government wished the declaration to be the first point on the agenda of the conference.

"He further stated that it had not and would not be given to representatives of other powers who plan to attend the conference, but that it would be taken up by the Philippine representatives with members of the U.S. Working Group. Mr. Bonsal stated that he could not prejudge the Secretary's views as to the 'declaration'. Ambassador Sebald stated that he had some reservation as to the timing of the proposed 'declaration' and ventured the opinion that if it were to become the first point on the agenda, it might well consume a large part of the time of the Conference." (Memorandum of conversation by Bell, drafted Aug. 25; 396.1 MA/8–2454)

Conference files, lot 60 D 627, CF 348

The French Embassy to the Department of State [1]

SECRET [WASHINGTON,] August 23, 1954.

AIDE-MÉMOIRE

A. The French Government, preoccupied since before the Geneva Conference with assuring an effective guarantee to the agreements arrived at in that meeting, is especially interested in the conclusion of a security pact for Southeast Asia. Her own preoccupation joins with the general interest particularly as Indochina is the region where this security is most especially threatened.

B. The participation in the proposed pact by the Associated States themselves presents, during the period of the armistice and particularly when the troops transfers provided for by the Geneva accords must be carried out during approximately 300 days more, obvious military and political inconveniences. Participation is, after all, not necessary if the stipulations of the pact are such that they apply to the situation resulting from the aforementioned agreements.

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[1] Handed by Ambassador Henri Bonnet to Merchant on Aug. 23. This text is an informal translation included in the Conference series as SEAP D–2/7. It is attached to a covering note by Trulock dated Aug. 25, not printed.

C. It being a question of a pact in which four of the five so-called Colombo powers have refused to participate, the fifth limiting itself to sending an observer to Manila, the French Government sees the greatest interest in avoiding to the extent possible the inclusion in this pact of dispositions which emphasize the apparent distinction between the Asiatic powers which agree to enter the pact and those which refuse. The stabilizing and non-aggressive character of the intentions of the participants in the pact must thus be clearly expressed, the concern with economic aspects of the problem clearly evoked and the doors left well open for future accessions.

Taking into account the preceding indications, it would appear desirable to the French Government as concerns the draft pact given last August 6 to the French Embassy by the Department of State:

1. To develop the second paragraph of the preamble. The competent French services are presently studying a formula setting forth that the stability of a region depends upon the stability of the states which compose it, the equilibrium of these states supposing democratic liberties, juridical and judiciary guarantees, as well as economic and social bases which would be sound, all supposing conditions of peace.

2. To eliminate the last phrase of Article 2. This is a duplication of the first paragraph of Article 4 and enters into details which for reasons indicated below do not appear desirable.

3. To develop Article 3 in a manner which would provide equilibrium with Article 4 and reduce the military character of the whole.

4. As concerns Article 4,

(a) To define the zone of application of the agreement. It is important to be more precise concerning the situation of the Vietnamese, Laotian and Cambodian territories; this is why it would be appropriate to introduce in some part of the draft a reference to the Geneva agreements. It would suffice that the signatories acknowledge the accords as certain of the signatories have already done.

(b) To bring out more clearly the distinction between aggression and menace, the first bringing on "action", the second only a "consultation." Perhaps this would be the place to define a frontier around the zone itself, aggression against the territory of a marginal state constituting a menace and thus furnishing a matter for consultation.

(c) To eliminate the precise wording and characterizing menaces other than military (Article 4, paragraph 2). This clause foreseeing an intervention in case of subversion of an established state risks very extensive involvement and is of a nature that would definitely compromise the chance of seeing other Asiatic states join in the proposed organization.

5. To examine carefully the proposal included in Article 5 of the formation of a council. If it is normal to foresee the governments concerting together on every subject evoked in the text of the accord, it is doubtful that a council would be useful—under the state of unpreciseness as to the practical import of this text—to give to these consultations an institutional character similar to the UN or ANZUS. It would suffice, it appears, to create a permanent secretariat of which the staff agency of Singapore provided with a political section would furnish a nucleus. Furthermore if the creation of a permanent organ of the pact is the object of a separate article, its competence must normally extend to all of the provisions of the pact, above all Article 3. If it is desired to restrict this competence to military questions, it would be better to add a paragraph to Article 4.

6. To study the possibility, concerning accessions to the pact, of two procedures, either that the member states invite a third state, or that the third state takes the initiative to propose its candidature. Under both cases, the decision concerning admission could be taken unanimously.

Editorial Note

In his summary of the Secretary's staff meeting held the morning of August 23, Jeffrey C. Kitchen, Deputy Director of the Executive Secretariat, reported a discussion of the Colombo Plan:

"Mr. Waugh reported that the Southeast Asian countries would send a very strong representation to Washington for the meeting of the International Bank late in September. The same officers would be proceeding to Ottawa where the Colombo Plan powers are meeting on October 1. Mr. Waugh said that he had been discussing this matter with Mr. Jernegan and thought it represented a real opportunity for us to discuss both economic and political problems with these leaders. There was considerable discussion about the desirability of depending on the Colombo Plan to be the basis of economic integration in the area rather than sponsoring some new organization or plan under the terms of the Southeast Asian pact. The Secretary indicated that he had asked Mr. Bowie for a paper to educate him on the purposes and nature of the Colombo Plan and suggested that Mr. Waugh and perhaps Mr. Merchant contribute to such a paper which he could study. Mr. Waugh mentioned that Mr. Stassen intended to visit the Southeast Asian area shortly and suggested that the Secretary telephone him for the purpose of finding out what Stassen's plans were and to inform him of our thinking in this field. It obviously would be undesirable to have Stassen taking one line while we were moving on another at the Southeast Asian conference. The Secretary said he would call Stassen.

"It was pointed out that Japan was not a member of the Colombo Plan and that any plan should contemplate the ultimate association of Japan. There were advantages in avoiding creating a new scheme authored by the United States and dependent upon it for a majority of the economic assistance rendered. At the same time using the Colombo Plan would have the disadvantages of Japan and the Philippines being omitted, at least for the present, and also that countries such as Thailand and the Philippines, which stood up to be counted on the security matter, would not be given even equal, to say nothing of preferential, treatment." (Secretary's Staff Meetings, lot 63 D 75)

Samuel C. Waugh was Assistant Secretary of State for Economic Affairs. John D. Jernegan was Deputy Assistant Secretary of State for Near Eastern, South Asian, and African Affairs.

Robertson sent the following memorandum to Dulles on August 23:

"At the staff meeting this morning you assigned to Bowie, Waugh and Merchant the responsibility for developing an economic program for Southeast Asia.

"It is not for me to question your reason for bypassing FE on one of its primary and most important problems but I should like to point out that our economic staff will be as perplexed as I am. Baldwin who is the FE Economic Coordinator has been giving this particular problem earnest study. I do not infer a reflection upon the aforementioned gentlemen in saying that in my opinion Baldwin is more familiar with the economic problems of the area than they are.

"I am certain that FE will be asked for its views but I strongly feel that it should have a ground-floor responsibility and not one secondary to S/P, E and EUR." (890.00/8-2354)

Dulles replied on the same day:

"I have your memorandum of August 23 with reference to the economic program for Southeast Asia. I had no intention of bypassing FE or Baldwin and will see to it that FE is in on the ground floor.

"I had thought of Merchant only because he was planning to head up our staff for the Manila conference. However, he may now be replaced by Mr. MacArthur so that that will have to be changed." (890.00/8-2354)

Conference files, lot 60 D 627, CF 355

Memorandum by the Director of the Office of Financial and Development Policy (Corbett) to the Assistant Secretary of State for Economic Affairs (Waugh)

CONFIDENTIAL [WASHINGTON,] August 24, 1954.

Subject: The Colombo Plan as a Vehicle for an Asian Economic Aid Program.

We could gain a great deal of advantage in using the Colombo Plan as a springboard for an Asian development program. Its attractions for this purpose are:

1. One of the usual difficulties in the formation of a new organization, the question of membership, could largely be avoided. The Plan embraces all nations on South and Southeast Asia (except Afghanistan), New Zealand, Australia, Canada, Great Britain and the United States. In addition, the Philippines and Thailand attend the Consultative Committee meetings as observers, and we are currently discussing informally with representatives of Canada, Australia, New Zealand and the United Kingdom the question of Japanese and Afghanistan association with the organization.
2. The Plan has the support, at high levels, of the Asian member governments. This is particularly true of the leading participants—India, Pakistan, Ceylon and Burma. The forum of the Colombo Plan, therefore, provides the proper audience to which any new proposal might be directed.
3. The Plan has, in varying degrees, succeeded in directing the attention of governments of the area to the need for preparing long-term development programs as a necessary first step in accelerating development and for obtaining and making effective use of external aid.

While the Colombo Plan would be a good springboard for a new Asian economic program, the looseness of its organizational setup precludes its ready adoption as a vehicle for implementing such a program. The main reasons for this are:

1. The Consultative Committee (Colombo Plan) itself is a discussion group lacking the necessary organizational machinery to administer any large-scale financial aid program. The provision of funds and the supervision of development projects are left to bilateral agreements between the donor and the recipient countries.
2. The procedures in the Plan are highly permissive. The participating countries are encouraged to submit plans and are assisted in doing so, but little if any pressure is exerted upon them regarding the management of their economic affairs.
3. The Colombo Plan, which had its origin in the meeting of British Commonwealth Foreign Ministers at Colombo in January 1950, is regarded as somewhat of a family link among the Commonwealth countries even though the participants now include many non-Commonwealth countries. There may be some resistance to altering the organization as there is some question as to whether the consciousness of this link would survive the establishment of an entirely different organizational structure and function. There is also the question as to whether from our standpoint it would be desirable to superimpose such a body on the proposed undertaking.[1]

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[1] An attached statistical breakdown is not printed.

790.5 MSP/8-2454

Memorandum by the Director of the Policy Planning Staff (Bowie) to the Secretary of State

SECRET [WASHINGTON,] August 24, 1954.

Subject: Underdeveloped Areas

At our meeting this morning (attended by Messrs. Baldwin, Holland,[1] Jernegan, MacArthur, Merchant and Waugh) we discussed the question of assistance to the underdeveloped areas. A tentative consensus was reached on certain broad principles applicable to such assistance in Asia and Southeast Asia.

1. Need

The viability of Japan and South and Southeast Asia will probably depend mainly on economic growth at improved rates. This will require, among other things, substantial amounts of outside capital which will have to come largely from public funds. In its own interest, the United States should be prepared to increase substantially the amounts available for such financing.

2. Form

In general, while some grants will still be needed, the stepped-up program should largely take the form of loans to be payable in local currency. Undue reliance on grants was felt to be undesirable; the use of loans payable in dollars was felt to be impracticable.

3. Multilateral Aspects

The Colombo Plan, in which almost all the South and Southeast Asia countries participate, offers a suitable framework for such an expanded program. It should be used, assuming Japan becomes a member. It has the advantage of Asian acceptance and is already in existence. It is loose enough in its actual operations not to complicate a U.S. program.

4. Administration

Under the Colombo Plan actual loans and grants are handled on a bilateral basis.

If the U.S. undertook an expanded program, there would be some advantages in using an international agency, such as a regional bank, to execute loans. The present consensus was, however, that such an agency would make it harder to get Congress to appropriate money and might also have other disadvantages.

It was suggested that the United States might make bilateral loans repayable to a financing institution established by the

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[1] Henry F. Holland, Assistant Secretary of State for Inter-American Affairs.

Asians. This would have the advantage of leaving collection to the Asians and gradually creating a revolving fund for further investments.

A related problem is the assurance of continuity over a period of years, which is an essential factor for success. These questions will be further considered.

Other Areas

Mr. Holland also outlined the general approach which he is recommending be taken to this problem at the Rio meeting.[2]

A study on the Far East will be ready by next Monday;[3] studies were decided on for Latin America and the Middle East.

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[2] The Rio Economic Conference was held at Quitandinha, Brazil, Nov. 22–Dec. 2; see vol. IV, pp. 313 ff.

[3] Aug. 30.

Conference files, lot 60 D 627, CF 348

Revised United States Working Draft of Security Treaty[1]

SECRET [WASHINGTON,] undated.

SEAP D-2/1a

SOUTHEAST ASIA COLLECTIVE SECURITY TREATY

The Parties to this Treaty,

Recognizing the sovereign equality of all the Parties,

Reaffirming their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,

Desiring to promote stability and well-being in the treaty area, to strengthen the fabric of peace and to uphold the principles of democracy, individual liberty and the rule of law, and to promote the economic well-being and development of all peoples in the area,

Intending to declare publicly and formally their sense of unity, so that any potential Communist aggressor will appreciate that the Parties stand together in the area, and

Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,

Therefore agree as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

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[1] This draft is attached to a covering note by Trulock dated Aug. 24, not printed.

ARTICLE II

In order more effectively to achieve the objective of this Treaty, the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack and to prevent and overcome subversive activities directed from without against their territorial integrity and political stability.

ARTICLE III

The Parties undertake to consult together on the means by which the free institutions of the Parties may be strengthened and to cooperate with each other and with other like-minded states in the development of economic measures designed to promote economic stability and social well-being.

ARTICLE IV

1. Each Party recognizes that Communist aggression by means of armed attack in the treaty area against any of the Parties or against Cambodia, Laos, or the territory under the jurisdiction of the free Vietnamese Government, or against any States or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it would act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area is threatened in any way other than by armed attack or is affected or threatened by any other fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense and for the maintenance of peace and security in the area.

ARTICLE V

The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council is empowered to arrange with states not Parties to the Treaty for cooperation in giving effect to the provisions of Article III. The Council shall be so organized as to be able to meet at any time.

ARTICLE VI

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

ARTICLE VII

The Parties may by unanimous agreement invite any other State in a position to further the objectives of this Treaty and to contribute to the security of the Treaty area and the area of the acceding States to accede to this Treaty. Any State so invited may become a Party to the Treaty by depositing its instruments of accession with the Government of ———. The Government of ——— will inform each of the Parties of the deposit of each such instrument of accession.

ARTICLE VIII

As used in this Treaty, the "treaty area" is the general area of Southeast Asia and of the Southwest Pacific, not including the Pacific area north of 21 degrees 30 minutes north latitude. The Parties may by unanimous agreement amend this Article to include within the Treaty area the territory of States acceding to this Treaty in accordance with Article VII or otherwise to change the Treaty area.

ARTICLE IX

This Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of ———, which shall notify all of the other signatories of such deposit.

The Treaty shall enter into force between the States which have ratified it as soon as the ratifications of the majority of the signatories shall be deposited, and shall come into effect with respect to other States on the date of the deposit of their ratification.

ARTICLE X

This Treaty shall remain in force indefinitely, but any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of ———, which will inform the Governments of the other Parties of the deposit of each notice of denunciation.

Conference files, lot 60 D 627, CF 358

Minutes of Meeting Held in the Department of State [1]

SECRET [WASHINGTON,] August 24, 1954—5-6 p.m.

Subject: Meeting on Southeast Asia Pact

Participants:

The Secretary	Mr. Bowie
Mr. MacArthur	Mr. Baldwin
Mr. Merchant	Mr. Stelle
Mr. Robertson	Mr. Galloway
Mr. Waugh	

The Secretary gave Mr. MacArthur, the U.S. Representative in the Working Group which will meet in Manila beginning September 1, the following guidance and instructions:

A. Arrangements

1) *Plenary Meetings*—The sessions should be closed except for the usual photographs at the opening of the first session and, if the meeting so decided, for any signing ceremonies which might take place.

2) *Entertainment*—Only informal, except for any entertainment by the host Government.

3) *Chairmanship*—The Philippines should chair the meetings as host Government.

4) *Seating*—On the assumption that there will be at least three seats at the conference table for each delegation, the Secretary indicated that the two Senators [2] should be seated at the table. Mr.

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[1] The source text is attached to a covering note dated Aug. 25, not printed, from Jeffrey C. Kitchen, Deputy Director of the Executive Secretariat, to the Under Secretary.

Minutes drafted on Aug. 25 by Trulock. Trulock is not listed among the participants.

[2] The Department had announced on Aug. 20 that Senators H. Alexander Smith of New Jersey and Mike Mansfield of Montana, both members of the Senate Foreign Relations Committee, would be "congressional advisers" at the Manila meeting. For text of the press release, see Department of State *Bulletin*, Aug. 30, 1954, p. 296.

MacArthur should also be at the table on the Secretary's left if facilities permit; otherwise he should sit directly behind the Secretary.

5) *Language*—It is hoped that it will be necessary to have not more than two official languages (French and English).

B. Substantive Points

1) *Hong Kong*—The Secretary approved the position that we would not agree to having the Treaty cover Hong Kong (for purposes of an armed attack) unless by some suitable means it also covers Formosa.

The Secretary added that he believed there were strong arguments for the inclusion of Hong Kong but that this would involve an extremely significant additional commitment on the part of the U.S. He said that he would attach a lot of weight to the Senators' judgment on this matter. He believed that the UK would prefer that any understanding on Hong Kong be an informal one with us rather than included in the treaty.

2) *Use of the word "Communist Aggressor" in the Preamble and in Article IV*—The Secretary instructed the Working Group to hold fast to this language.

3) *Organization*—The Secretary instructed the Working Group to maintain the position of no permanent site and no permanent organization, along the lines of the ANZUS Treaty.

4) *Observers from Cambodia and Laos*—The Secretary said we would have no objection to observers from Cambodia and Laos if this question arose.

5) *Informing Cambodia, Laos and Free Vietnam of their possible Coverage Under the Treaty*—It was agreed that Mr. Robertson should on Wednesday inform the representatives of Laos, Cambodia and Free Vietnam that we anticipate that in addition to the treaty area itself, there will be provisions in the treaty for coverage of Laos, Cambodia and Free Vietnam against aggression, This would, of course, be subject to their agreement and we would like to know the reaction of their governments before the departure of the U.S. Working Group on Saturday.[3]

6) *Defense Representation*—Mr. Merchant said that Admiral Stump would be the Military Representative on the Philippine-US Council meeting and that Admiral Davis will be present from the Defense Department. Admiral Davis will be the Senior Defense Representative for the SEAP Meeting. We have been informed that no other military advisers are desired except for Admiral Davis' staff.

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[3] Aug. 28.

7) *Coverage of Colonial Possessions in the Area*—The Secretary said that this depends upon the formula agreed upon in Article IV. If we obtain agreement to the inclusion of the words "Communist Aggressor" then we would wish to react quickly with our Allies to meet Communist aggression anywhere in the area. On the other hand, if the Article IV language does not specifically define the aggression as "Communist", we would not wish to be in a position of becoming involved in disputes in this area, involving the individual members or their possessions.

8) *Economic Provisions in the Treaty*—The Secretary said that the Working Group should stick with the language in Article III as presently drafted, since it was flexible enough to cover anything we might wish to do later. He said that he would discuss this with General Smith on Wednesday.[4]

The Secretary said that he wished to give further thought to the idea of using the Colombo Plan as the device for economic assistance to the area.

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[4] Aug. 25.

890.00/8-2554

Memorandum of Conversation, by the Secretary of State

SECRET [WASHINGTON,] August 24, 1954—7:30 p.m.

MEMORANDUM OF CONVERSATION BETWEEN THE SECRETARY AND GOVERNOR STASSEN

We discussed the economic problem of Southeast Asia[1] and in general the importance of trying to promote capital developments which would increase the productivity of the countries and in turn bring about a steady, if slow, increase in the standards of living of the people. I expressed the view that unless we could counter the Communist program in this respect that the effort to hold back Communism in Asia would be in vain. In that part of the world I mentioned that slogans which appeal to us do not have the same appeal. There the great majority of the people live with practically no economic margin for survival, and survival is their first concern. Mr. Stassen said that he agreed with this general approach and felt that a good deal could be worked out through Japan's industrial capacity and her ability to promote capital developments in the area.

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[1] Dulles and Stassen had also discussed Southeast Asia during a conversation on Aug. 9:

"'Mr. Stassen indicated the desirability of a major effort to line up sound economic policies to back up the Southeast Asia military arrangements, the economic arrangement to run from Japan to India. He suggested that he himself might go to the area with representatives from State, Treasury and Commerce, with a view to preparing the groundwork for what may be a major economic conference in Asia sometime toward the end of the year'." (Reported in a memorandum from John W. Hanes, Jr., Special Assistant to the Secretary of State, to Robertson, Aug. 9; 890.00/8-954)

I said that the question of procedure would be involved, or at least be discussed, at Manila, and that I had been giving a good deal of thought, with my advisers, as to whether or not we should establish an economic mechanism within the security treaty, or should have another treaty for that purpose, or should work out a treaty through some existing arrangements, such as the Colombo Plan or some alternative that the US might sponsor. Mr. Stassen said that he was inclining to the view that the best thing would be to build on the Colombo Plan, and I said that was the trend of my own thinking. We agreed that it was essential that Japan should be brought in to the Colombo Plan if this plan were adopted as the basis of operations.

We recognize that there are disadvantages in the Colombo Plan in that the name did not have a very good connotation in this country because of the recent Colombo Conference. Also it had a British Commonwealth origin and to a considerable extent was financed through sterling currency operations. Nevertheless, it seemed that the advantages of a going organization which already accomplished much and is attracting the best economic and financial brains of the area offset these disadvantages.

Mr. Stassen said also that, subject to the President's and my approval, he was planning to take a trip through the area sometime in November with a view to attempting to appraise the economic possibilities. He thought of inviting to go with him representatives not only of State, but Commerce, Treasury, and Budget. I said I thought it would be unwise to invite a representative of Budget as I did not think Budget should be made into an operating agency. He agreed.

I said that I thought that any final decision on this plan should await my return from Manila as the discussions there might throw light upon the best future course of conduct. He said he thought that it would be all right if the decision was made after I returned, but that in the meantime he would like to do some preliminary studies here in Washington with State, Commerce and Treasury. I acquiesced in this with the understanding that what was done here would be highly tentative and preparatory.

JFD

FE files, lot 55 D 480

Memorandum by the Counselor of the Department of State (MacArthur) to the Secretary of State [1]

SECRET [WASHINGTON,] August 25, 1954.

The British Embassy has just received a suggested UK redraft of Article 4, which is attached as Annex 1. You will note that paragraph 1 of the latest British proposal picks up the language of the North Atlantic Treaty. You will also note that paragraph 2 has been substantially telescoped.

In handing us this latest UK proposal, the British Embassy informed us that Mr. Eden was unalterably opposed to the use of the word "Communist" in either the Preamble or in the body of the Treaty. The British Embassy also said Eden would meet with the British Cabinet on Friday [2] and it was very important, if at all possible, to have the US reaction by that time.

For purposes of comparison, I attach Article 4 of the latest US draft, as Annex 2,[3] and also the earlier British proposal for revision of Article 4 (which they have now withdrawn), as Annex 3.[4]

[Annex 1]

NEW UK PROPOSAL FOR ARTICLE 4

1. The parties agree that an armed attack against one or more of them in the Treaty area or against Cambodia, Laos or the territory under the jurisdiction of the Government of the State of Viet Nam or against any States or Territories which the parties by unanimous agreement may hereafter designate shall be considered an attack against them all; and consequently they agree that if such an armed attack occurs, each of them, in the exercise of the right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the party or parties or other States or Territories herein before referred to by taking forthwith individually and in concert with the other parties, such action as it deems necessary, including the use of armed force to restore and maintain the security of the Treaty area. Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council.

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[1] This memorandum and its annexes are filed as attachments to the memorandum, *infra*.

[2] Aug. 27.

[3] See Article IV in the draft of Aug. 24, p. 785.

[4] Not printed.

2. The parties will consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the parties or of any other State or Territory to which the provisions of paragraph 1 above from time to time apply, is threatened in any other way than by armed attack.

FE files, lot 55 D 480

Memorandum for the Record by the Counselor of the Department of State (MacArthur)

SECRET [WASHINGTON,] August 25, 1954.

1. The Secretary made the following comments with respect to the latest UK suggested redraft of Article 4 (attached)[1] which he said might be passed on to the British Embassy:

> The Secretary still believes very strongly that the US formula specifically mentioning "Communist aggression" should be in the Treaty. It is clearly recognized that in the agreed minute of the Eisenhower-Churchill talks[2] that what we are trying to do is to combat Communist aggression in the area. Furthermore, the various Communist treaties are always couched in terms of aggression coming from non-Communist countries, and there is no reason why we on our part should not make clear that we are thinking about Communist aggression. By eliminating the reference to "Communist" aggression and adopting the NATO formula, the treaty would in essence proclaim that if any of the member states got into a dispute of some kind among themselves or with other non-Communist states involving incidents or shooting, this could, by the terms of the NATO formula, be construed as an attack against the US and other members. This obviously was not what we had in mind.
>
> With specific reference to the proposal to substitute the NATO formula for the ANZUS formula, the Secretary feels strongly that the ANZUS formula should be adopted to make the terms of the Southeast Asia defense pact entirely consistent with existing US security arrangements in that area with Australia, New Zealand, and the Philippines. This involves Congressional and constitutional considerations. As a practical matter, the differences in the two formulae are probably not material. However, there is a definite legislative history connected with this problem, and it would be extremely unfortunate if Congressional debate were reopened regarding US constitutional questions involving the Executive and Legislative branches, which could well result if the NATO formula were adopted.

2. The Secretary confirmed his earlier instruction that the US Working Group at Manila stand firm on the inclusion of the "Communist aggression" formula in the treaty text, which would mean

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[1] See *supra*.

[2] Dated June 27, p. 580.

that the Foreign Ministers themselves would have to discuss and reach agreement on the final formula.

Conference files, lot 60 D 627, CF 348

Memorandum for the Record by the Counselor of the Department of State (MacArthur) [1]

SECRET [WASHINGTON,] August 25, 1954.

SEAP D-9

The Secretary approved the attached position paper as general guidance to the US Working Group pending his arrival in Manila. He expressed the view that it would not be useful to develop a formal economic organization within the framework of the collective security organization which will result from the proposed Treaty. He added, however, that this would not exclude the possibility of adding "a few more words to the existing US draft of Article 3 to embellish it a little".

[Attachment]

U.S. POSITION ON ECONOMIC COOPERATION AT THE MANILA CONFERENCE

1. The U.S., as its actions have testified, is keenly aware of the importance of improving economic conditions in the Far East and South Asia. The U.S. has undertaken various programs and made substantial contributions toward this end.

2. For this reason the U.S. has proposed Article III which gives recognition to the importance of economic cooperation and which would permit developments in that direction.

3. The economic problems of free Asia involve relations between all the countries of the area as well as relations with countries of the West. Some of the countries which are most important in the economic fabric of the area are not participants at the Manila Conference.

4. The U.S. in general does not believe there should be an undue proliferation of international organizations dealing with the economic problems of the area.

5. For the reasons outlined in 3 and 4 above, the U.S. does not believe it would be useful to develop a formal economic organiza-

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[1] Attached to a covering note of Aug. 26 by Trulock, not printed.

tion within the framework of the collective security organization which will result from this treaty.

6. The U.S. will, however, continue to actively pursue discussion of economic problems and the possibility of economic cooperation at such opportunities as may occur. The meeting of the Colombo Plan countries at Ottawa, for example, will obviously provide one such opportunity.

Conference files, lot 60 D 627, CF 348

Memorandum by Walter Trulock of the Reports and Operations Staff

SECRET [WASHINGTON,] August 26, 1954.
SEAP D-12

MEETING OF SOUTHEAST ASIA PACT (SEAP)

UNITED KINGDOM PROPOSED AMENDMENTS TO ARTICLES II & III [1]

Attached are the UK amendments to Article II and III.

[Attachment]

NOTE ON UNITED KINGDOM PROPOSED AMENDMENTS TO DRAFT SOUTHEAST ASIA DEFENCE TREATY [2]

SECRET [WASHINGTON,] August 25, 1954.

ARTICLE II

For "Mutual Aid" read "consultation and cooperation with each other."

("Mutual Aid" has come to be understood as implying financial assistance.)

Add at the end of the Article the sentence "The parties undertake to consult together on the means by which the free institutions of the parties may be safeguarded."

(The United Kingdom purpose in amending this phrase and removing it from Article III to its original place in Article II is as follows:

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[1] The amendments are to the articles as they appear in the U.S. draft dated Aug. 24, p. 784.

[2] It is not clear whether this paper is the text of a British note or a summary of it.

(a) To avoid any suggestion of interference by the treaty parties in the internal political affairs of the member States. In particular we dislike any suggestion of an undertaking to consult the other parties about *strengthening* the free institutions of Malaya.

(b) To remove the essentially political concept of "free institutions" from the economic Article where it seems out of place.)

The new Article would then read:

"*Article II*—In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly, by means of continuance and effective self-help and *consultation and co-operation with each other,* will maintain and develop their individual and collective capacity to resist armed attack and to prevent and overcome subversive activities directed from without against their territorial integrity and political stability. *The Parties undertake to consult together on the means by which the free institutions of the Parties may be safeguarded.*"

ARTICLE III

Replace the present text by the following:

"The parties recognize that their common aims cannot be realised without measures designed to promote economic prosperity, social progress and cultural advancement. The parties furthermore agree that in the development of such measures economic and technical assistance can play an important part in supplementing the individual and collective efforts of various governments in achieving these aims."

(In the earlier draft the undertaking "to cooperate" suggests more in the way of multilateral economic organisation than is likely to materialize and the inclusion of "other like minded States" would make continued cooperation with countries like India more difficult.)

790.5/8-2654

Memorandum of Conversation, by William J. Galloway, Special Assistant to the Counselor of the Department of State

SECRET [WASHINGTON,] August 26, 1954.

Subject: U.K. Views on the Southeast Asia Pact

Participants: Sir Robert Scott, British Minister
Mr. F. R. MacGinnis, Second Secretary, British Embassy
Mr. MacArthur, Counselor
Mr. Stelle—S/P
Mr. Galloway—C

Sir Robert Scott called on Mr. MacArthur to discuss the Southeast Asia Pact. Sir Robert said he visualized that the Foreign Ministers in their meeting at Manila would have a threefold task: (1) to agree on the provisions of a treaty, (2) to discuss the question of any machinery which might be established, and (3) to discuss any action which might be taken under the treaty.

Regarding the text of the treaty, Sir Robert would discuss later the latest suggestions of the U.K. government.

As for machinery under the treaty, Sir Robert said that the UK chiefs of staff had made some recommendations on military machinery which had not been considered by the government. The UK chiefs suggested that there should be a Military Committee and a Military Executive Committee at a lower level. These two bodies would require a small permanent staff and secretariat. Sir Robert then outlined his understanding of the U.S. position with respect to organization under the treaty, and Mr. MacArthur confirmed that we envisaged the establishment of only a Council, composed of the Foreign Ministers, which would meet from time to time as required, similar to the arrangement under our ANZUS Treaty. There would be no permanent site for meetings and no permanent staff or secretariat in any fixed location. The members of the Council could have military advisers as required.

Sir Robert emphasized that the UK Government had not expressed definite views on organization and, in particular, had not considered the chiefs of staff recommendations on military machinery. Personally, he thought there should not be much difficulty on the question of organization as between the U.S. and U.K. Governments, but he thought that some of the other Governments would strongly desire the establishment of some permanent machinery.

As for action under the treaty, Sir Robert's third point, the only immediate possibility he envisaged was in the field of economic activity. The U.K. view is that, regardless of how the economic article in the Treaty is drafted, the Ministers should be prepared to discuss the question of future action in the economic field.

Mr. MacArthur said that the U.S. envisaged that there would be discussion by the Ministers on this subject. He referred to the remarks made by Secretary Dulles at his last press conference, when the Secretary had stated his belief that it would be desirable for this general question to be discussed at the Manila meeting. The Secretary had made clear that he was thinking in terms of the general economic problem in free Asia and not just in connection with the Southeast Asia Pact. Mr. MacArthur said, however, that he did not think that this question had yet had sufficient study to allow any very definite decisions or actions to be taken as of the time of the Manila meeting.

Sir Robert then asked how far the U.S. expected the Manila meeting to progress on the Treaty, adding that he had no views from his Government on this point. Mr. MacArthur said that the U.S. hoped the Treaty could be completed and signed at Manila. The U.S. delegates would have plenipotentiary powers to sign a Treaty.

Sir Robert then inquired as to the U.S. views regarding the latest British proposed revisions of Articles IV,[1] II, and III [2] of the Treaty text.

Mr. MacArthur, noting that the British revision of Article IV omitted the word "Communist", said that the Secretary attached real importance to the formula we had proposed for describing the nature of the armed attack in Article IV and to stating in the preamble that the purpose of the Treaty is defense against Communist aggression. It is our understanding that there is no disagreement among the prospective members of the Pact that its whole purpose is to defend against Communist aggression in whatever form this aggression might take. Consequently, using the word "Communist" in the Treaty would make clear both to the Communist world and to the free world the fundamental purpose of the member nations. The use of this formula also has the great advantage of excluding for the purposes of the commitment in Article IV any armed attacks which might occur in the area involving non-Communist states. For example, if there should be trouble between India and Pakistan resulting in armed conflict, under the U.S. formula the provisions of the Treaty relating to armed attack would not apply. We certainly would not wish the Treaty to apply in such a situation, and we believe that other prospective members, with the possible exception of Pakistan, would not wish it to apply in case of an armed attack of this character. We have not been able to think of any formula other than the one we have suggested to avoid the problem presented by the possibility of armed attacks in the area other than a Communist attack.

Furthermore, since the language of the Treaty states that an armed attack on any of the parties would endanger the peace and safety of all of the parties, we seriously doubt the truth of such a statement unless it applies only to a Communist armed attack. This is a point which would need to be made perfectly clear by the U.S. Executive to the Congress, and the best means, we believe, is actually to draft the armed attack which would endanger the peace and safety of the parties.

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[1] See Annex 1 to MacArthur's memorandum, p. 791.

[2] See the memorandum, *supra*.

Mr. MacArthur then said he would like to explain why the U.S. preferred not to use the NATO language in Article IV as had been suggested by the U.K. The pattern of U.S. security arrangements in the Pacific, the ANZUS Treaty, Philippine Treaty and others, all have been defined in very similar language to that which we have suggested for Article IV of the present treaty. The precedent is therefore well established with the Congress and also with the countries in the area. If the present Treaty were to utilize the NATO language, the Congress might well raise questions as to the difference between this language and the language used in our other Pacific commitments. While, in fact, there may be little or no material difference in terms of the commitment involved, there might well be a revival of the debate on Constitutional powers of the Executive Branch vis-à-vis the Legislative Branch, and this coming at a time when the controversy over the Bricker Amendment [3] is high, could cause us serious difficulties.

For all of these reasons, Mr. MacArthur emphasized our preference for the language in the U.S. draft of Article IV.

As regards paragraph two of Article IV, the consultative provision, it was pointed out that the U.K. draft by omitting certain clauses which appeared in the U.S. draft tended to weaken the provision. The U.S. hoped that this consultative clause could be made as broad and as strong as possible, since in our view, it might well be the principal means for dealing with the real danger in the area—Communist subversion and infiltration.

Sir Robert Scott then summed up the British views on Article IV and read a telegram giving Mr. Eden's views on this article (a copy of the substance of this telegram is attached).

The discussion then proceeded to the British redrafts of Articles II and III. (A note setting forth the proposed UK revisions and reasons therefor is attached.) [4]

Mr. MacArthur, on a personal basis, commented that the British redraft of Article III seemed to propose that economic cooperation be on a more exclusive basis. The U.S. much preferred the general language of the article in the present U.S. draft so as to allow complete flexibility in dealing with the economic problem on a broader basis. As for the expression "other like-minded nations" to which the British objected, he thought some other expression such as "other free Nations" might be used. Sir Robert expressed the belief that the U.S. and U.K. positions on the economic aspect were actually very close together and that there would not be difficulty in arriving at agreeable language.

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[3] Senator John W. Bricker of Ohio introduced into the Senate several bills intended to bring about a constitutional modification of the Executive's treatymaking power. For documentation, see vol. I, Part 2, pp. 1768 ff.

[4] Not printed as attached. See the memorandum, *supra*.

[Attachment]

The British Embassy to the Department of State

SECRET [WASHINGTON,] August 27, 1954.

UNITED KINGDOM COMMENT ON ARTICLE IV OF THE DRAFT SOUTH-EAST ASIA DEFENCE TREATY

Objection persists for the reasons already given to inserting the word "Communist" before "aggression", and to its inclusion in the third paragraph of the Preamble.

2. The United Kingdom is anxious that Article IV (1) should be as acceptable as possible to Asian opinion and should not be open to objection on the ground that the parties are unilaterally proposing to take action about an armed attack for instance on Burma without consulting in any way the Government concerned.

3. For these reasons it is believed that the best solution would be to adopt as closely as possible the wording of Article V of the NATO Treaty. This wording is not only now well known but we have always maintained that it is entirely defensive in character. Further, the obligation upon the parties is to "assist the party . . . by taking forthwith, individually and in concert with other parties, such action as it deems necessary". This gives considerable discretion to the parties to decide what if any action at all they are going to take if the armed attack is not one which it is the real purpose of the proposed Treaty to guard against. The United Kingdom redraft follows *mutatis mutandis* the wording of Articles V and IV respectively of the NATO Treaty.

4. Finally in order to meet the difficulty about Asian opinion referred to in paragraph 2 above the United Kingdom view is that if we are asked which States or territories we propose to designate under Article IV (1), we should say that it is not our present intention to designate any State or territory unless they so request. This would leave it open to us to designate other States or territories later on if the circumstances seem to render this necessary or if as we hope they come and ask for it themselves.

FE files, lot 55 D 480

Memorandum by the Economic Coordinator in the Bureau of Far Eastern Affairs (Baldwin) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)

CONFIDENTIAL [WASHINGTON,] August 26, 1954.

FOA MEETING ON ASIAN ECONOMIC PROGRAM

On August 20 Mr. Stassen called a meeting of members of his staff, including Dr. FitzGerald [1] and General Porter [2] to discuss "the guidelines developed by the State Department Working Group on the establishment of a Far East Regional Organization."

The conclusions reached at the meeting were that:

(1) The FOA should give a favorable reply to the guidelines contained in the report [3] prepared by the State Department Working Group.

(2) Mr. McDiarmid,[4] the FOA representative on the Working Group should explore the following recommendations with the Working Group:

> (a) That an interagency group (State, Treasury, Commerce, Bureau of the Budget and FOA) visit the area "to survey and discuss with top level officials our present programs in the various countries and explore the receptivity to the idea of Asian initiative to such a program" (Presumably meaning a new economic assistance program).
>
> (b) If the Asian countries should be receptive to the idea they could then call an Asian conference and invite Secretary Dulles to attend the Conference, at which time Mr. Dulles could announce that the "U.S. is willing to be an observer and to put an initial capital of $——— behind the organization, the capital to come from our Indochina and world-wide funds."

The first conclusion seems a bit premature as the report referred to has not been completed. The second conclusion requires careful consideration.

It was decided some time ago that the Department's consideration of a new Asian economic program should be initiated within the Department, then broadened to include the FOA, and finally extended to include other government agencies.

The question of how the final report of the Working Group is to be handled (assuming that it receives Departmental approval) has a direct bearing on whether the Working Group should be expanded now. If, for example, a Treasury representative were placed on the Working Group he would almost certainly insist that the final report should be referred to the NAC for inter-agency consideration. I agree with Bob Bowie that this reference would be inadvisable, as it would place the matter in the area of technical financial consideration instead of top-level over-all foreign policy planning. I feel that if the Working Group Report is to go beyond the Department and the FOA it should be referred to the NSC Planning Board, at which time all other agencies which may be concerned will have an opportunity to work on it.

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[1] Deputy Director for Operations of FOA.

[2] Gen. Robert W. Porter, Jr., Military Adviser, FOA.

[3] See the attachment to Baldwin's memorandum to Bowie dated Aug. 30, p. 809.

[4] McDiarmid was Regional Economist in the Office of Far East Operations in FOA.

The last paragraph of the attached memorandum of conversation between the Secretary and Mr. Stassen [5] indicates that the Secretary acquiesced in Stassen's suggestion that he do some "preliminary studies" with State, Commerce and Treasury during the Secretary's absence in Manila provided what was done here by Stassen would be highly tentative and preparatory.

I see no reason why this comment by the Secretary should prevent the Department from making the decision that the Working Group report should go direct from the State Department to the NSC Planning Board or necessitate an expansion of the Working Group as Stassen recommended in the FOA meeting.

In the FOA meeting it was mentioned that our Working Group considered that Congressional consultations "would be desirable" before any conferences are held with other countries. Mr. Stassen took the position that it might be possible to start the program with funds already appropriated, possibly with some matching funds from Asian countries. He said that there had already been consultations with Congress on the establishment of an "Asian economic group on a broad basis." His remarks seem to carry the implication that we could go rather far toward making a commitment without obtaining further approval by Congress.

Stassen also brought up at the meeting the old idea of a clearing arrangement in the Far East which has been popular with him for some time. Some of his assistants apparently do not favor the idea and one or two of them attempted to advance arguments against it at the meeting but did not take a strong stand.

Toward the end of the meeting, Stassen said that the President had indicated at a NSC meeting that "he would like to have this program initiated in Asia without any advance announcement by the United States." This is news to me.

Finally, Stassen recommended the interagency trip mentioned above. He is reported to have said that "this is a very important matter" and that he would be "willing to accompany the group and spend a month talking through the economic problems of this whole group of countries." He added that "Secretary Dulles would also consider it important enough to make a personal response to any invitation extended to him."

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[5] See Dulles' memorandum of this conversation, Aug. 24, p. 789.

(In his August 24 conversation with Stassen, the Secretary's proposal that Stassen postpone any plans for this trip until the Secretary returns from Manila was accepted by Mr. Stassen.)

Mr. Stassen asked Mr. McDiarmid to discuss the above recommendations with the State Department Working Group. He did so at a meeting this morning. I indicated that I would put the points raised in the proper channels for decision.

I recommend:

1. That the Department take the position that any report from the Department's Working Group concerning an expanded program for economic assistance for Asia which appears to require high level policy consideration or decision should be referred by the Department, in concert with the FOA if possible, to the NSC Planning Board.
2. That Mr. Stassen be notified of this decision by the Department and told that under the circumstances it would appear to be unnecessary to expand the Working Group by adding representatives of the Treasury and Commerce Departments and the Bureau of the Budget.
3. That Mr. Stassen further be told that in the opinion of the Department, the timing and announcement of any action which the U.S. may decide to take with respect to an economic assistance program for Asia are matters of political importance which the Department has been considering carefully and concerning which the Department wishes to cooperate closely with the FOA. Mr. Stassen should also be told that the Department believes it would be inadvisable to disclose, outside the U.S. Government, that consideration is being given to this matter until all U.S. decisions have been made and the method of announcement determined. Whether the program is large or small its political value could be greatly reduced by premature action.

790.5/8-2654: Telegram

The Acting Secretary of State to the Legation in Laos [1]

SECRET WASHINGTON, August 26, 1954—7:43 p. m.

18. Robertson today informed Laotian Chargé [2] that US understood Laotian Government as well as Vietnamese and Cambodian Governments wished to have included in proposed SEA Treaty a clause to effect that overt aggression against Laos or against free

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[1] Repeated for information to Saigon and Manila and pouched to Phnom Penh.

[2] Presumably Inpeng Suryadhay.

Vietnam or Cambodia would be considered aggression against Pact members although these three countries could not join pact at this time. Robertson said US would advocate at Manila inclusion of Laos, free Vietnam and Cambodia within area covered by treaty against armed aggression if this was wish of three governments. Chargé replied that he was confident this would be most acceptable to his government which had in fact just telegraphed regarding possibility of Laotian membership in Pact.

Department suggests you confirm this conversation with Foreign or Prime Minister at your discretion.

SMITH

396.1 MA/8-2654: Telegram

The Acting Secretary of State to the Embassy in Vietnam [1]

SECRET
PRIORITY

WASHINGTON, August 27, 1954—6:17 p.m.

795. Department received through Vietnamese Ambassador [2] here as well as from Saigon's 749 [3] indication Vietnamese Government's desire to send observers to SEA Pact Conference Manila. In reply Department has taken following position with Ambassador:

(a) Question obviously one for decision by all members of conference and not by US alone.

(b) Department however believes presence Vietnamese (and also Cambodian and Laotian) observers Manila Conference on informal basis would be most useful as evidencing interest those governments in pact and in measures for defense free SEA.

(c) Department suggested to Vietnamese Ambassador here his government immediately approach other pact participants if this has not already been done (UK, France, Australia, New Zealand, Thailand, Philippines and Pakistan) indicating Vietnamese Government's desire send informal observers Manila giving as reason interest his Government in having protection proposed pact extended to free Vietnam.

(d) Department view is these observers would not participate in any conference sessions. They would however be available to conference on informal basis to express views and possibly agreement of their governments with respect proposed article of treaty which would extend protection of pact to Cambodia, Laos and free Vietnam which will not be signatories.

(e) Department stressing to Vietnamese Ambassador importance Vietnamese in their approach to other conference members make clear scope and status observers as summarized this message in order prompt agreement may be reached. Request Embassy Saigon confirm position to Vietnamese authorities and report action. Ambassador tells us he informing his Cambodian and Laotian colleagues of his *démarche* in Department and Department views.

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[1] Sent also priority to Phnom Penh and Vientiane; repeated for information to Bangkok, Canberra, Karachi, London, Manila, Paris, and Wellington.

[2] Tran Van Chuong had presented his credentials on Aug. 16.

[3] Not printed. (396.1 MA/8-2654)

(f) Department informed Ambassador it would be Department's hope that at working group conference members meeting in Manila Sept first, decision on request for informal observer status for free Vietnam (Laos and Cambodia if they request it) could be reached promptly and reply be made to govts.

For action Chargé Phnom Penh and Vientiane: Approach Foreign Ministers giving them gist above and telling them that if they wish, perhaps through their representatives in Washington, make similar approaches other conference members rapid action is essential. You should stress informal status observers and report action. End action Phnom Penh and Vientiane. FYI Department believes useful that Laos and Cambodia have observers but wishes decision to approach conference members to reflect their initiative. End FYI.

Department believes presence these observers would be of great value in underlining solidarity free Indochina countries with purposes of collective self-defense embodied in proposed treaty with which those countries are not currently formally associated but which should in Department's judgment afford them protection.

Other than action addressees may give information and views conveyed to Vietnamese Ambassador in reply inquiries regarding US attitude from governments to which accredited.

SMITH

396.1 MA/8-2754: Telegram

The Acting Secretary of State to the Embassy in Vietnam [1]

SECRET WASHINGTON, August 27, 1954—7:36 p.m.
PRIORITY

799. Reference Deptel [2] concerning interest Vietnamese Government having unofficial observers Manila Department just received from British Embassy following expression Eden's views concerning matter of prior consultation with Associated States of Indochina regarding their designation under proposed treaty.

"1. It has always been our view that to consult the Associated States about their designation under the Treaty would be inconsistent with the understanding reached at Geneva. It is still my view that they should be unilaterally designated.

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[1] Sent also priority to Phnom Penh and Vientiane; repeated for information to Bangkok, Canberra, Karachi, London, Manila, Paris, and Wellington.

[2] Telegram 795, *supra.*

"2. On the other hand were an attack on the Associated States to take place in violation of the Geneva settlement we should then be fully entitled to consult them on action to be taken.

"3. It would be undesirable to show the draft Treaty to the Associated States before the text is finally agreed at Manila. The position about the Associated States under the Treaty would be explained in the final communique which should be so drafted as to make it clear that this arrangement was not in conflict with the Geneva settlement."

Department anticipates this question will be discussed at working group meeting Manila September first.

SMITH

396.1 MA/8-2854: Telegram

The Acting Secretary of State to the Embassy in the Philippines

SECRET WASHINGTON, August 28, 1954—1:28 p.m.

778. Philippine Chargé today handed Department proposed changes [1] in draft treaty to be considered at SEA Conference. [2] Our views on most significant proposals cited below should be conveyed soonest to appropriate Philippine officials.

1. Philippine proposal would eliminate use of word "Communist" in preamble and Article IV. We favor use of word "Communist" as purpose of treaty is to defend against Communist aggression. Our formula would also for purposes of commitment under Article IV exclude any armed attacks which might occur in area involving non-Communist states. If for example Pakistan should become involved in armed conflict with non-Communist neighbor we would not wish treaty to apply. We also believe that armed attack on any parties to treaty would endanger peace and safety of all only if attack were Communist.

2. For armed attack provision in Article IV, Philippine Government has proposed language similar to that used in Article V of NAT. We strongly prefer language proposed in US draft rather than NATO language since pattern of US security arrangements in Pacific (ANZUS, Philippines, etc.) have been defined in language similar to what we propose for present treaty. Precedent therefore well established with Congress and also with countries in area, and we wish avoid invidious comparisons in Congress. Using NATO language for present treaty where all other US-Pacific treaties have used different language might reopen debate on constitutional powers within US Government.

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[1] This Philippine note has not been found in Department of State files.

[2] Reference is to the U.S. working draft dated Aug. 24, p. 784.

3. Philippine draft provides for decisions of Council to be made by three-fourths vote and admission of new parties to agreement by three-fourths vote of states already acceding to treaty. These provisions would in effect permit extension of U.S. commitments by a process in which we would not have controlling voice and are wholly unacceptable. Accession new members would require Senate approval and Senate could not be expected to ratify treaty that provided for possibility of extension US commitments amounting to new Treaty obligations without US approval.

4. Philippine redraft eliminates any reference to free Viet-Nam, Laos or Cambodia. We consider it essential that these states be brought within purview of armed attack provision of treaty. Failure to include them would be interpreted as sign of weakness and possibly as decision to actively resist Communism aggression only after these states have been lost to Communists.

We will have further comments in Manila on other Philippine proposed changes in text.

SMITH

Conference files, lot 60 D 627, CF 358

Memorandum by the Counselor of the Department of State (MacArthur) to the Acting Secretary of State

SECRET [WASHINGTON,] August 28, 1954.

Acting on instructions from their Governments, the Embassies of the U.K., France, Australia, New Zealand and the Philippines have now all informed us that they were firmly opposed to the inclusion of the word "Communist" in the SEA Treaty. Furthermore, the Pakistanis have informed the U.K. that they would in no circumstances agree to a reference to communism in the Treaty. We have not yet received word from the Government of Thailand, but as things now stand, the score is a solid six to one against the inclusion of the word "communist".

I attach a copy of an interesting telegram which the British Embassy here has just received from Mr. Eden.[1] It seems to me that if the Manila Conference is to result in the signature or initialing of a Treaty, we are going to have to agree to eliminate the word "communist"; otherwise, it seems quite clear that the Conference will end in dead-lock and we will accomplish nothing. Such a set-back would, I fear, have a serious impact both on International and U.S. opinion.

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[1] The copy attached to this memorandum is undated. In this telegram Eden stated that he objected to specific reference to "communism" in the treaty because the word had no precise or legal meaning and could prove embarrassing, was needlessly provocative, and made it much more difficult for governments such as those of India or Burma (which were publicly committed to noninvolvement in the anti-Communist struggle) to accede. After reviewing the differences between the United Kingdom and the United States on this point, Eden stated that he could accept the American text of the article if the word "communist" was removed. Eden also wanted to know if the United States thought that the wording of paragraph 2 of the article covered Laos, Cambodia, and South Vietnam and any states that might subsequently be designated. He thought it did not, and wished the words "or any other State or territory to which the provisions of paragraph 1 above from time to time apply" to be inserted.

If we are going to have to give on the use of this word in the Treaty, it seems to me that it would be much better to do it in the working group stage of the negotiations than in the meeting of the Ministers. My reason for this is that a considerable amount of confusion would be avoided if we could present the Ministers with an agreed Text of Article IV. And, more important, I believe that if the word "communist" is left in for the Ministers to argue about, the Filipinos and others will leak to the press during the working group meetings that we are dead-locked on this issue. It will be built up in the press and then if we give it will look like a substantial U.S. defeat in the Conference.

I recognize that no decision in this respect can be taken until after the Secretary's return Monday.[2] However, if it could be given consideration then, and telegraphic instructions could be sent to Manila, for Mr. Phleger and myself,[3] I believe we could succeed in the working group in going very far toward getting an acceptable Treaty, except for the inclusion of the word "communism", pretty much in hand for the Foreign Ministers to consider. This would mean that we could probably wind up the Conference in about three days.

As the situation now stands, the U.S. working group has virtually no flexibility or give in its position; and, in essence, we will be in the position in the working group at Manila of standing firm on all of the important points of our own U.S. text with no give on any important point at any place. This, in my judgment, risks having other people gang up strongly on certain provisions we do not like (such as the NATO formula) and freezing their position where it may carry over in rigid form into the Ministers Meeting. If we are going to have to give on the word "communist", and avoid a situation where others may form a solid front against us during the working group on other important points which will be translated into the Ministers Meeting, I believe it is for very serious consideration whether the type of flexibility indicated above would not be desirable.

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[2] Aug. 30.

[3] Both men were planning to attend the sessions of the working group in Manila, the first of which was Sept. 1 (Manila time). They left Washington the evening of Aug. 28.

If such flexibility were given tactically, we could open with a strong defense of the communist formula, listen to the others, and agree to recommend it back if we got satisfaction on the other points.[4]

D MacA

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[4] In telegram Tosec 2 to Manila, Aug. 30, drafted and approved for transmission (but not initialed) by Dulles and marked "From Secretary for MacArthur", the Secretary stated:

"1. In view fact 'Communist' included in US proposed text furnished Senators Smith and Mansfield and in view inability confer with them before Manila am not prepared authorize you agree to elimination.

"2. Suggest you prepare alternate texts.

"3. Please privately consider possible reservation to Treaty by US at time signature to effect that the 'attack' to which US prepared to respond as per treaty would be 'Communist' inspired attack." (396.1 MA/8-3054)

FE files, lot 55 D 480

Memorandum by the Economic Coordinator of the Bureau of Far Eastern Affairs (Baldwin) to the Director of the Policy Planning Staff (Bowie) [1]

SECRET [Washington,] August 30, 1954.

Subject: Report of Asian Economic Working Group

1. Herewith submitted is the report of the Asian Economic Working Group, on which have been represented E, FE, NEA, EUR, S/P, R and FOA. This report consists of:

(a) The report itself, which summarizes the conclusions reached by the Working Group;

(b) Annex One: [2] a study made for the Working Group by the Office of Intelligence Research concerning the inter-relation between political and economic prospects in South and Southeast Asia, the nature of the area's economic problem, and the probable political and economic impact upon the area of external aid programs of varying size. This study's estimates of the impact of varying degrees of external aid rest upon calculations and assumptions which the other members of the Working Group have not yet examined and which must, therefore, be considered as representing only the views of the OIR at this point

(c) Annex Two (with three Attachments [3]): A fuller discussion than is contained in the summary report of the magnitude of alternative programs and alternative operating mechanism which would be appropriate to the recommended Asian economic program;

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[1] Also addressed to Byroade (NEA), Merchant (EUR), Robertson (FE), and Waugh (E).

[2] Not printed.

[3] Three attachments to Annex Two not printed.

(d) Annex Three: A summary of the views expressed by certain U.S. Foreign Service Missions in Asia in response to inquiries made of them on behalf of the Working Group.

2. I wish to emphasize an assumption which was accepted without question by the members of the Working Group and which is implicit in the report but perhaps should be stated more positively, viz: that the expanded economic program contemplated by the Group should be regarded only as one part, albeit an important part, of a balanced defense against Communism in Asia.

3. The report calls attention to the importance of adequately preparing American public opinion before the program suggested by the Working Group, or any similar program, is announced. Because of the importance of this aspect of the matter it should, I believe, receive particularly careful consideration.

4. This report is preliminary and subject to further elaboration. It could, however, serve at an appropriate time as a basis for interdepartmental consideration, preferably by the NSC Planning Board.

[Attachment]

[Here follows a table of contents.]

CONFIDENTIAL

Report of the Asian Economic Working Group Concerning the Inauguration of Large-Scale, Long-Range Program of Economic Assistance

1. *Objectives:* (a) U.S. policy should support efforts to ensure survival of non-Communist governments in Asia, even if those governments pursue so-called "neutralist" policies, in the face of a Communist strategy emphasizing subversion, agitation, and other political warfare tactics.

(b) Our policy in Asia should, therefore, give support to the positive goals espoused by Asians. One of these goals is an acceleration in present dishearteningly slow rates of economic development. Poverty, economic instability, and other grievances which arise out of economic stagnation exist today in every non-Communist Asian country, and will be exploited to the maximum by the Communists.

(c) The U.S. should take additional measures, in concert with other nations, to stimulate the processes of economic growth so that, with the consequent prospect of an improvement in living standards, the means available to aid the Communist effort will be reduced, and the prestige and attractiveness of non-Communist political and economic institutions enhanced.

(d) A related purpose of these measures should be to assist in placing Japan on a sounder economic basis by improving its trading opportunities.

2. *Magnitude:* Slow rates of economic progress in this area have been due in large part, to inadequate levels of investment, which result from both under-employment and a shortage of needed resources. The resolution of these problems could be materially assisted by a new long-range program of assistance to the area, if it were large enough to have a dramatic and galvanizing impact upon the people and the governments of the area, creating the prospect that their own efforts and resources could be used more effectively, and thus providing an effective challenge to them to redouble their own efforts to this end.

An expanded investment program necessarily starts slowly and gathers momentum. In the first year or two the "tooling up" process must take place and consequently the requirement for funds would be relatively small. Moreover, the "absorptive capacity" is limited by the difficulty of introducing Western methods of organization, construction, etc. It is a hazardous and inexact exercise (especially in South and Southeast Asia) to estimate the amount of incremental investment required to bring about in time a satisfactory and continuing rate of growth and it is particularly difficult to estimate the portion of the new investment which must be provided from external sources.

Unless the proportion of the incremental investment which is provided from domestic effort and resources is substantial, no amount of external aid in a given period will create the conditions necessary to assure a continuation of high levels of growth without further external aid. The objective of the proposed program is to achieve a reasonably high rate of economic growth which will be self-sustaining and continuing, rather than a selected level of total investment, however high.

It is evident that present external aid programs have not stimulated an adequate acceleration of domestic investment. U.S. aid for economic development programs in the area has been running at about $200 million annually, and Commonwealth programs have somewhat increased this total. It is the considered opinion of the working group that a very substantially greater volume of aid is required to achieve the objectives of a new program. It is believed that a sum of about $2 billion would provide the dramatic impact upon and the challange to the countries of the area that would be needed initially and would be a reasonable estimate of the additional amount which could be used effectively in the first few years of an accelerated program.

Subsequent provision of external aid could obviously be estimated with greater accuracy after experience with and observation of actual developments in the area. It has been estimated that $10 billion over a ten-year period would approximate the upper limits; such a sum would fully test the area's ability to use external resources effectively.

3. *Initiation of New Program:* The first steps in initiating this program would be (1) preparation of U.S. public opinion followed by adequate Congressional consultations; and (2) U.S. consultations with some of the principal interested countries. Subsequently, one of the major Asian countries might convene a special meeting, perhaps under the auspices of the "Colombo Plan" Consultative Committee, to discuss the measures required to launch the new program.

4. *Administration of New Assistance Program:* The new program could be administered multilaterally or bilaterally.

The multilateral approach would stress the establishment of an Asian organization with a multilaterally endowed development fund. This would provide a means for obtaining contributions of external resources by other nations; promote greater cohesion among countries of the region; stimulate greater responsibility on the part of recipient countries; and foster an improvement in Japan's relations with other Asian countries. It would be a sufficiently sharp contrast with the present method of administering U.S. assistance as to produce a dramatic and favorable impact on the minds of Asians.

Such a multilateral program should be carried out by an organization consisting of: (i) a Council of Ministers, which would follow the OEEC pattern except that its committee structure would be drawn up in accordance with the problems of the area, and (ii) a subsidiary Asian Development Corporation. The Corporation would finance, on a flexible basis, the costs of sound and needed public and private development projects that cannot qualify for financing from other sources. Its management would have to enjoy a sufficient measure of competence and autonomy to ensure the adoption of policies that the U.S. would consider economically and politically sound.

An alternative to the multilateral approach would be larger U.S. bilateral programs, possibly conducted with the advice of some such multilateral group as the Colombo Plan Consultative Committee. The principal advantages of this alternative might be a greater degree of U.S. control and hence public favor in this country. This method would not be a sharp departure from present arrangements for extending U.S. aid to South and Southeast Asia and would lack the dramatic aspects and diplomatic and psychological advantages of the multilateral method of administration.

5. *Membership in New Organization:* Membership of the proposed organization should include all nations members and observers of the Colombo Plan Consultative Committee, thus embracing countries which are most important politically and most in need of economic aid:—India, Pakistan, and Indonesia. This would not be feasible if political or military conditions were attached to the aid.

Membership would also include those donor countries members of the Colombo Plan and would provide for inclusion of Japan and other would-be donors acceptable to the membership.

Annex Two

ASIAN ECONOMIC PROGRAM: ITS PROPOSED CHARACTER AND METHOD OF OPERATION [4]

1. *Objectives.* The principal U.S. objectives in supporting the development of an expanded Asian economic program would be to:

(a) strengthen the economies of, and hold out the prospect of more rapid economic growth to, the free countries of Asia and thus facilitate their governments' efforts to achieve greater political and economic stability;

(b) encourage greater regional cohesion and cooperation, thereby increasing the ability of these countries to resist both overt Communist aggression and Communist attempts to subvert and gain control by non-military means;

(c) engender an Asian desire for continuing association with the West in general, and the U.S. in particular, as promising that measure of economic progress which the Communists contend can only be achieved through their methods.

The U.S. could better accomplish these objectives if the U.S. contribution to the area were increased and made available in a manner to permit programming over a period of more than one year.

2. *U.S. Contribution.* Two questions are involved in any discussion of the U.S. contribution: (a) what will be its total amount and duration, (b) what will be its initial size and timing?

No definite appraisal of the total additional public funds which the U.S. would have to allocate for the support of Asian economic development in order to achieve its policical objectives can be made at this time.

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[4] Drafted by McDiarmid on Aug. 27. The three attachments to this annex are not printed.

The OIR study of "Asian Economic Development"[5] suggests that the investment of external resources in South and Southeast Asia of something like $10 billion over a ten year period would, if it were associated with greatly increased internal efforts by the recipient countries, enable the area's per capita income to reach a rate of increase of about 25% per annum. Furthermore once attained, this rate of growth could be maintained thereafter without external aid if proper measures were taken to sustain the momentum of investment programs from local resources. The study also points out that to attain a 1% per annum rate of increase in per capita incomes would require the investment of more than $500 million of external resources annually. While these estimates are clearly subject to a wide margin of error due to the inadequacy of available data and lack of experience in testing the assumptions on which they are based, they are illustrative of the order of magnitude of aid required to accomplish specific objectives. $10 billion over a ten year period would probably test the area's absorptive capacity, and indeed the rate of expenditures would probably have to be uneven, since the area could probably not initially use $1 billion of external resources annually effectively. On the other hand, it is hard to see how a program which resulted in per capita economic growth of much less than 1% per annum could have significant economic repercussions and even this rate is probably too low to generate the increased internal effect necessary to permit its being maintained, after say a ten year period, without external aid.

Because of the uncertainties regarding speed of implementation and other unknown factors involved, the working group cannot recommend that either of the programs outlined above be adopted for implementation over any definite period. The program's initial expenditure would have to be determined largely by the area's absorptive capacity. The initial U.S. contribution to the program might be only enough to cover that first year's expenditure, or it could be a larger lump sum, designed to provide for operations over an unspecified longer period. If this sum were set at about $2 billion, it would cover the initial years, depending upon the scale on which it was found desirable to proceed after the first year. If Congressional approval could be secured, the lump sum method of financing would be preferable from the standpoint of initial impact on the area and of the program's subsequent operation. A question arises as to whether a Congressional authorization of the larger sum could be secured, with appropriations to be provided as necessary by the Congress in the light of its review of the program's operation. If not, a legislative record indicating that such an amount would probably eventually be required would be highly desirable for political and planning purposes.

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[5] Reference is to Annex One, not printed.

Funds for this program could not now be secured from the Congress in time to be expended before FY 1956. If informal Congressional approval for the concept is secured, however, it might be possible to initiate preparatory operations in the Southeast Asian area in FY 1955, from funds authorized under Sec 121 of the Mutual Security Act of 1954 (Indochina Funds), and a limited amount of other funds appropriated for economic development in Asia.

At its initiation the economic assistance to be provided the area through a new regional grouping would be largely supplementary to, rather than a substitute for, bilateral programs now operative under the U.S. bilateral and Colombo Plan programs.* This would continue to be true of U.S. programs actuated by military objectives. U.S. grant assistance for economic development should cease when the proposed program is well underway. Continuation and even expansion of bilateral agricultural surplus programs would be desirable, mainly to offset inflationary pressures and meet the added demands arising from increased purchasing power in aid recipient countries.

3. *Tactics in Initiation.* The following steps might be taken:

(1) After appropriate Congressional consultation, U.S. leadership might consist of a public suggestion by the President, or the Secretary of State, that the United States was now prepared to join free Asian countries in devoting substantial resources to the support of Asian economic development programs.

(2) Appropriate bilateral consultation between the U.S. and certain major interested countries including the UK should be undertaken and determined in accordance with the circumstances prevailing at the time.

(3) Initiative for the organizational meeting of prospective member countries should come from a leading Asian country, or countries, rather than from the United States.

It will be necessary that membership in the program include those nations of South and Southeast Asia which are most important politically and which are most in need of economic aid—India, Pakistan, and Indonesia; this could not be done if military or political commitments were sought from recipient countries. It will be extremely desirable that this membership include, as soon as possible, all other free Asian countries as well. Membership should also include donor countries; the U.S., Japan, the UK and any other countries acceptable to the membership of the program may be particularly important in determining the attitude of the neutralist countries of the area. No strong opposition to Japanese membership is envisaged, since if the multilateral approach suggested in paragraph 4 is followed Japan's role would be principally that of a donor rather than recipient of financial support (see paragraph 5 below). Economically the inclusion or exclusion of Taiwan and South Korea would not be of primary importance since most U.S. aid to those countries will have to continue on a bilateral basis in any event.

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* The relationship of this program to existing US programs affecting this area is treated in more detail in Attachment "C" to this paper. [Footnote in the source text.]

The use of the Colombo Plan framework to the extent practicable would have several advantages. These include the fact that the countries grouped within the Plan include all the countries of South and Southeast Asia but not Communist China, the support it has by virtue of its "atmosphere" free from the odium of political pressure and imperialism, and its emphasis on longer range economic development.† The characteristics of the Colombo Plan organization, as set forth in Attachment A, suggest that it would not, without extensive alterations, provide a suitable framework for the purposes the U.S. would have in mind if the new international organization were to have real authority in the use of U.S. and other resources. A bilateral U.S. loan program could be carried on under the general aegis of the Colombo framework without any substantial organizational changes. In any case, the use of the Colombo Plan grouping, at least as a springboard for launching the larger association envisaged in this program, has merit. Eventually it would be highly desirable that the Consultative Committee of the Plan merge into the Council proposed below.

4. *Main Elements of the Organization.*

Two basic approaches to the financial aspects of the problem have been considered. These are:

(1) to provide substantial support to a multilateral financial institution, essentially an investment bank with complementary technical assistance functions, and

(2) to undertake a bilateral loan program, a variant of which would be to have the initial U.S. loans repaid to a multilateral institution.

If the first alternative were followed, a Council of Ministers, following in general the OEEC pattern (except that its committee and subcommittee structure would conform to the problems of the area) might be set up with overall responsibilities for the operation of the program and related matters. Possible elements in the charter of such an organization are set forth in Attachment B.

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† The United States is currently discussing informally the question of Japanese (as well as Afghanistan) association with the Colombo Plan with representatives of Canada, Australia, New Zealand and the United Kingdom. [Footnote in the source text.]

[Regarding the interest of the United States in Japanese membership in this grouping, see volume XIV.]

The Council would consider such matters of mutual interest as the inter-relationship between their economic development plans, regional trade problems, and the exchange of technical aid and information. The Council would not undertake detailed review of annual bilateral aid programs (U.S. or Colombo Plan), but would review longer range economic development programs, the progress being made in these programs, and the general fiscal and economic situation of the member countries which would, of course, have a vital bearing on the activities of the financial institution.

The latter would be essentially an investing and lending institution, although it would be prepared to finance on a grant basis the demonstration and testing activities, and the engineering and other analytical studies incident to the development and presentation of projects for financing by the institution or other sources. In practice the institution, unlike IBRD or the Eximbank, would be prepared to finance on a flexible basis either the foreign exchange or both the foreign exchange and the local currency costs of private and governmental projects. Its loan resources would be obtained by the sale of its debentures or preferred shares to the governments of the U.S., and we would hope, the UK, Australia, Canada, Japan, and the "recipient" countries. Widest possible distribution of the debt obligations of the institution would eventually be sought.

The financial institution would act under the very general direction of the Council. Its own internal organization would not be unlike that of the IBRD. The right of the management to be largely autonomous in its operations would have to be agreed to in advance by the participating countries. Only a strong, effective management operating in accordance with sound economic and political policies could ensure the institution's success. The example of the IBRD suggests that it should not be impossible to secure such management.

Considerable flexibility would be desirable in respect to the terms of contributions received and financial advances made by the financial institution. The general principle might be that the United States would not expect to be repaid the principal amount of its contribution at any fixed time, unless its financial situation were such as to enable it to dispense with a part of the U.S. contribution, but that the terms of its advances should be such as to secure the maximum prospect of maintaining the integrity of its resources consistent with the attainment of its objective—to finance all sound and needed development projects in the area for which other types of financing cannot be secured. The Charter should be sufficiently flexible to permit investments in public or private equities and other securities as well as loans to governments or private borrowers. The necessary "softness" should, whenever possible, be injected into loan agreements by the length of time allowed for repayment and liberal moratoria before foreign exchange payments are due, rather than by providing that complete repayment may be made in the currency of the borrower (except, of course, when the entire loan was made in such currency). The latter would tend to convert the loan to a grant, for practical purposes, and might not be acceptable to the more responsible member countries. However, emphasis should be on "useable" (for relending), rather than fully "convertible", currencies in specifying repayment requirements, and the extent to which such repayment is required in specified currencies would, in any case, depend on the servicing capacity of the borrower.

The Charter should make explicit the institution's role as distinct from that of the IMF, the IBRD, or other loan agencies. Its relation to the programs of these and other established or proposed agencies is set forth in Attachment C. It should not, for example, make short term balance of payments loans or finance projects which are sufficiently bankable to assure repayment in convertible currencies within 15 to 20 years. However, it should not be debarred from making loans in support of other types of projects—in countries which are "fully loaned up" from the standpoint of other lending institutions or are not sufficiently viable to permit the entry of such institutions.

The multilateral approach in alternative (1) appears to the Working Group to offer the best method of implementing the new program to realize U.S. objectives in the area.

It would readily provide a means for obtaining contributions of external resources by other nations. It would foster greater cohesion among countries of the region and would foster, by virtue of participation, greater responsibility on the part of Asian countries. It would gain a more enthusiastic reception, and, by providing for Japanese participation foster an improvement in Japan's relations with other Asian countries. It would be sufficiently new to be a sharp contrast with the present method of administering U.S. assistance as to produce a dramatic impact on the minds of Asians. The Working Group believes that this political aspect of the multilateral approach is one of its greatest attributes.

The advantages which might be claimed for alternative (2) is that it would be preferred by Congress (since it would not involve multilateral control of U.S. funds), and that it would fit the pattern of bilateral aid being furnished under the Colombo Plan. The Consultative Committee of that organization might be adequate to provide a forum for discussion of any regional questions arising with such a program, and the establishment of a new Council would be unnecessary. The Working Group does not believe that these considerations outweigh the decided political advantages of alternative (1) or the means that approach affords if mobilizing larger resources for economic development. The consultations held with Congress during the last session on the establishment of an Asian economic grouping on a broad basis elicited a positive response and evidenced a receptive attitude towards consideration of further plans to that end.

The variant of alternative (2) that would involve the repayment to a multilateral institution of loans originally extended bilaterally, would give rise to great practical complexities. Furthermore, a financial institution, the only initial assets of which would consist of debt claims which it had no voice in establishing, would not have much prestige or support among responsible persons in the area. Previous attempts by the United States to undertake bilateral loan programs with part repayment in local currencies (such as the basis materials fund) do not indicate that substantial speed could be achieved in making the initial loans. While the Working Group recognizes that resort to the bilateral approach may be necessary if alternative (1) should be impossible of achievement, it believes that real efforts should be made with Asian countries to adopt the multilateral approach. It does not consider that the proposed variant of alternative (2) offers a satisfactory compromise.

5. *Role of Japan*. Japan's primary role would be that of a contributor, and its foreign exchange deficiencies would have to be derived from other sources. Apart from the currencies of non-Asian countries, the Japanese yen is the only currency of members that would be used extensively for external financing of development projects. Currencies subscribed by other Asian [countries] (except possibly sterling area subscriptions from sterling balances) would be used principally to finance the local currency costs of projects within those countries.

Japan would benefit from its role as a contributor in several ways. That role would help to dissipate anti-Japanese feeling in South and Southeast Asia, and would introduce greater quantities of Japanese goods into an area with which Japan must expand its trade relations if it is to become economically viable. By expanding the scope of the program, that role would also add to the program's effect in increasing South and Southeast Asia's ability to buy Japanese goods and to export the primary commodities that Japan needs.

Japan's contribution might take several forms, which it would be premature to try to specify at this time. The possibilities of linking this contribution to a GARIOA settlement or to any future U.S. agricultural surplus or other aid to Japan raise a variety of questions which fall outside the scope of this paper. In general, however, it seems true that (i) Japan could and should contribute substantially to this program regardless of any U.S. aid, (ii) its ability to contribute would probably be enhanced by aid so that an increased contribution could be required in return for aid.

The merging of this program and of any bilateral aid which we may give Japan would clearly not, however, be desirable on political grounds. The immediate problems of how to meet Japan's balance of payments deficit as U.S. special expenditures in Japan decline and of whether, or how, to provide resources to modernize and renovate Japanese industry are such a character as to fall largely outside the scope of this paper. On the other hand, this program could, if executed on a large enough scale, make a significant contribution to the solution of the first of these problems. For Japan should immediately be able to earn some part of the non-Asian currencies that would be assigned to the countries of South and Southeast Asia under this program. The extent of its earnings would be affected, however, by the resolution of the second problem, in view of Japan's current competitive difficulties as a high-cost producer.

Annex Three

Summary of Mission Views on an Asian Aid Program

Replies have been received from all missions in the area except New Delhi. They agree on the fundamental need for economic progress, on the need for outside aid to attain it, and on the desirability of US assistance.

Qualifications: Bangkok, Manila, Taipei, Seoul, Saigon and Tokyo stress the need for internal reform as a condition for effective outside aid. Rangoon feels that Burmese requirements might be met by IBRD loan facilities; all others envisage much more demanding programs. Manila sees little gain in assisting countries soft toward communism. Karachi considers our resources inadequate, would therefore limit aid to those who show initiative and are willing to play with the West. Seoul advises against dramatic moves that we might not be able to sustain and that might cause disillusionment for lack of quick concrete benefits.

Bangkok, Colombo, Manila, Taipei, Saigon and Seoul prefer bilateral US aid, the latter two emphatically so. Djakarta would make grants bilateral, loans multilateral. All others advise a regional, multilateral approach with Asian participation or leadership.

No mission wants military strings although Bangkok, Manila and Saigon would not object to them. Taipei feels military conditions do not serve US interests if a country is not already safely anti-communist. No mission recommends a tie-in of economic aid with SEATO beyond a general broad reference to economic cooperation.

Rangoon, Tokyo and Singapore recommend loan rather than grant aid.

Tokyo envisages a close tie-in of the new program with Japanese reparations deliveries in Southeast Asia.

The substance of suggested aid:

(1) Missions in exporting countries emphasize the crucial role of export markets and prices in economic stability (Rangoon and Bangkok: rice; Singapore and Djakarta: rubber and tin; Ceylon: rubber and cocoa; Taipei: sugar; Tokyo: manufactured goods).

(2) Most missions give high priority to transportation, power, communications, irrigation, and credit facilities.

Eisenhower Library, Dulles papers, "Telephone Conversations"

Memorandum of Telephone Conversation, Prepared in the Department of State [1]

[WASHINGTON,] August 30, 1954—7:46 p.m.

Telephone Call to Mr. Merchant

The Sec. said he just saw the message from Eden which he got last week and feels he should have seen it sooner.[2] He said he has serious question whether he should go or not. M. said he has the same doubt, but it seems this project is so intimately associated with the Sec. personally that if he doesn't show up, it would cast a pall over the participants. The Sec. said he is not happy at the way things are going. The idea they are signing the Treaty to please him does not please him at all. He has great reservations about the Treaty—whether it will be useful in the mood of the participants—whether we are not better off by ourselves. This running away from the word Communist—the unwillingness to allow unofficial observers to come from Vietnam, Laos and Cambodia and the objection to our having any military mission to Cambodia are examples. They seem to have no desire or intention to hold the balance of Indochina. By going into a treaty of this sort, we limit our own freedom of action. Once we sign, then we have to consult re any action. They are more concerned with trying not to annoy the Communists rather than stopping them. M. does not take as gloomy a view, but there are problems. It provides a basis for action and the probability of some allies—and so M. does not see the advantage of having complete freedom of action. Apart from the word Communist, M. doesn't see any real major difficulties there. The Sec. said he has a feeling these things will come up and someone from the UK will say he has to consult with London and then Eden will run with the ball on EDC. It raises the question of which place to be. M. said it is against his interest, but he thinks the Sec. should be there for 3-4 days. The effect on the Thais and the Cambodians if he does not attend will be fatal. The Sec. said we can't help the Cambodians and if we sign, we are less able to help. He suspects there are side deals from Geneva that are undermining the Treaty. M. thinks the British are prepared to lay it on the line for Laos, Cambodia and So. Vietnam. The Sec. said they won't let them send an observer to Manila. The French and British are blocking everything we want to do. Once the Sec. goes out, he said, he is hooked on it—he can't come back without a treaty. M. said he may be ascribing to the British too much good faith, but he thinks they are anxious to avoid anything that can be publicly exploited as contrary to the Geneva Agreement. The Sec. said this may well be as contrary to secret agreements. The point is to build up and they are trying to pull down. The Sec. said he was always willing to have Cambodia as part of the Treaty. M. thinks they are determined to hold the area. They are more concerned over the form than the substance. The Sec. said forms are important. Who will be at the Conference—Wan, Casey, Garcia, Webb, Khan. The Sec. said we don't know if they will let Khan be part of the Treaty. The Sec. said he doesn't think so. M. said it will protect him. The Sec. said we are making a treaty with Pakistan against India—M. said that was the purpose of putting in Communist. The Sec. agreed and asked what is the answer.

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[1] Drafted by Phyllis D. Bernau, secretary to Dulles.

[2] In a note dated Aug. 25, Eden had informed the Secretary that developments regarding the European Defense Community might prevent him from attending the Manila Conference. (Attachment to covering note from Sir Robert Scott to the Secretary, Aug. 25; 396.1 MA/8-2554) For documentation concerning EDC, see vol. v, Part 1, pp. 571 ff.

The Sec. said he is disturbed. It will be a mess out there. He will be there, the Pres. is in Denver, Smith is retiring and his successor is not here. It leaves us in a weak position. M. said he is not as disturbed over the SEATO business. The Sec. has to be there. The inference in that part of the world would be disastrous. M. said we can't afford to hand the other side the complete victory in both quarters on a silver platter. The Sec. said he is willing to fight it out, but is it good to tie oneself up with people who are not willing to fight. They agreed we have to accept the French. They have the only military force there for the next 12 months.

790.5/8-3054 : Telegram

The Secretary of State to the Embassy in the United Kingdom [1]

SECRET WASHINGTON, August 30, 1954—9:12 p.m.

1191. For Aldrich from Secretary. Please deliver following to Eden:

"Have just returned from long weekend which will I fear be my only vacation and find your note of August 25.[2] I have been greatly disturbed as you have been by EDC and today the adverse vote has come. I have seriously considered changing my own plans but in view of the other countries involved shall probably proceed although I hope I can quickly return. There may I fear be some perplexing problems at Manila and I hope that the Minister who replaces you will have some latitude so that I shall not be delayed through necessity of your representative having to consult you.

I wish greatly you could see your way to allowing representatives of Cambodia, Laos and South Vietnam to have unofficial observers at Manila. If we are really determined to try to save them from Communism, it seems that we ought to try to build them up rather than to subject them to what I fear will be interpreted as humiliation in not being allowed to observe the making of a treaty which will presumably mention them by name and be designed for their benefit.

Also I am not clear as to the prospective role of Pakistan. Will it be in the 'treaty area' and if excluded will it sign the treaty? If it signs the treaty and is in the treaty area, does not that make it imperative to make clear that the treaty deals only with aggression from the Communist area so as to exclude our getting involved in India-Pakistan disputes?

These are thoughts hastily dictated and without benefit of the advice of our working party, which is already at Manila.

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[1] Drafted by Dulles personally. The source text is telegram Tedul 2 from Manila, Sept. 2, marked: "Following is relay of Secretary's message to Eden of August 30".

[2] See footnote 2, *supra*.

I shall deeply regret it if you are not at Manila as I thought we might there cover a number of matters of mutual interest." [3]

DULLES

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[3] In telegram 9 to Manila, Sept. 1, repeated for information to the Department and marked "For the Secretary", the Embassy in London transmitted the following message from Eden:

"Many thanks for your message. I also much regret that we shall not be meeting in Manila, but I am sure you will agree that in view of the urgent and anxious situation in Europe my place is here.

"I think that we are very close on the text of the treaty and Gerald Reading, who is representing us in Manila, will explain to you our views on the points you raise. We still feel strongly that the balance of advantage lies against having observers from the three Associated States.

"This deplorable vote in Paris will open a chapter of problems for the free world. Our work together will be more important than ever and I will do everything in my power to help." (790.5/9-154)

The Marquess of Reading was a Minister of State in the Foreign Office. Dulles' party arrived in Manila at 6 p.m. Sept. 3, local time.

Editorial Note

The notes of a telephone call made by the Secretary the afternoon of August 31, to Carl W. McCardle, Assistant Secretary of State for Public Affairs, read in part as follows:

"Re the departure statement—McC. asked if we are firm and hopeful enough about a SEA Pact. The Sec. said he is deliberately playing it down. McC. said not to lose his nerve. McC. thinks public opinion will swing countries over. The Sec. said these fellows are so weak and feeble, one wonders if it is good to have a treaty with them. They think they can get it on any terms." (notes drafted by Phyllis D. Bernau; Eisenhower Library, Dulles papers, "Telephone Conversations")

In the course of his departure statement issued that same day, the Secretary commented on the Manila Conference:

"We shall consider the desirability of a security treaty. Of equal importance will be the opportunity to exchange views with the representatives of other countries interested in the Southeast Asia area. We hope to find and develop a genuine meeting of minds as to what should be done to halt Communist expansion in that area. I also hope that ways and means can be found to enable Cambodia, Laos, and Southern Viet-Nam to become free, vigorous, and liberty-loving nations, and that the whole area can be strengthened by a sense of solidarity." (For complete text of the statement, see Department of State *Bulletin*, September 13, 1954, page 364.)

790.5/8-3154

The Australian Embassy to the Department of State

SECRET

WASHINGTON, 31st August 1954.

AIDE-MÉMOIRE

1. The Australian Government has welcomed the establishment of SEATO on the assumption that it would provide a firm basis for military planning in the area and a means whereby preparations could be made to cope with direct or indirect Communist aggression. The Australian Government has given public assurances that if such an organisation is established it is prepared to make an increased military contribution to the defence of the area.

2. This policy was laid down at a time when the United States Government was calling for the urgent establishment of a defence organisation in South East Asia and appeared to be willing to participate fully in it. The Australian Government is therefore considerably disturbed at recent reports which appear to indicate that the United States does not now contemplate that any concrete military functions should be carried out by the organisation set up under the treaty. If this should turn out to be the case, then the value of the proposed treaty to Australia would be drastically diminished. The difficulties with which the United States Government would be faced at the present time in making precise commitments under SEATO are fully understood. At the same time the Australian Government feels there is a real danger that the present United States attitude might lead to a treaty without "teeth" of any kind, or to a treaty into which it would be very difficult to put any "teeth" subsequently.

3. It would also appear that, at a time when United States policy regarding the military functions of the organization has undergone a change, the United States view also seems to have hardened that the treaty should be aimed specifically at Communism. In these circumstances it seems that Australia might get the worst of both worlds. On the one hand Australia would be criticised in Asia for joining an organization which would be dominated by great non-Asian powers and which would be criticized as constituting a provocation to the Chinese, while on the other hand Australia would obtain no assurance that additional military protection would be given to an area which is strategically vital to Australia. It will be appreciated moreover that such a treaty would involve the Australian Government in considerable embarrassment domestically. The Australian Government would be attacked for subscribing to a treaty which seemed valueless, and there would be a danger that

present public support for an expanded Australian defence effort would be dissipated. The Prime Minister recently impressed on Parliament that the present situation in South East Asia calls for an international arrangement in the region under which all parties would be ready to undertake commitments. Australia's willingness to undertake such commitments in peacetime represents a real innovation in Australian policy.

4. In some respects the effect of present American thinking about SEATO is to provide little more than a commitment to act in the event of Communist aggression, without any effective understandings among the Allies as to what that action should be.

5. It is the Australian Government's earnest hope that the United States Government will agree to the establishment of effective military machinery under the proposed organization and will themselves participate in planning for the defence of the area. To this end Australia will press for inclusion in the text of the treaty of a specific undertaking that parties would "concert their military planning". The Australian Government hopes that the United States Government will be able to accept this.

6. The Australian Government fully appreciates the difficulties involved (partly for security reasons) in detailed military planning among seven or eight nations. But the Australian Government considers that close contacts among, and joint military planning by, the United States, United Kingdom, Australia and New Zealand are essential. The latest American position, as presently understood, could give Australia less than the already existing Five Power Staff Agency; and the future even of this organization seems in doubt in view of its virtual suspension at the request of the United States.

7. Like the United States, the Australian Government also contemplates economic activity being conducted outside SEATO. But a SEATO which is competent to discuss all these things should exercise this function at any rate to some extent, even though effective work in some directions may be done by smaller groups and possibly outside SEATO. Consequently in the Australian Government's opinion, regular and fairly frequent meetings of SEATO representatives are needed, and would be expected by Australian public opinion.

396.1 MA/8–3154: Telegram

The Minister in Laos (Heath) to the Department of State [1]

SECRET VIENTIANE, August 31, 1954—11 p.m.

22. Deptel, sent Vientiane 18,[2] repeated information Saigon 775, and Deptel sent Saigon 795, Vientiane 19, repeated information other addressees.[3]

I called on Foreign Minister yesterday and, following instructions, discussed Lao ideas re Manila conference and what Laos desires see as results. As reported first reference telegram Laos would have liked become member SEAP but in view difficulties and dangers as explained by me, Laotian Government hopes for and would accept strong clause in proposed treaty guaranteeing Laos against overt aggression. If this done he feels Laos may be able win internal fight against covert infiltration by Communists.

With respect decision on sending observers Manila conference Foreign Minister placed problem before Cabinet late yesterday and has since informed me that government will not send observers. No reason given but at dinner 29th for French Ambassador Daridan, number-2-Frenchman Indochina and going Manila, Prime Minister [4] (during brief conversation when I broached subject) told me Laos unable afford expenses and already had two Ministers absent in Paris. I also suspect Daridan may have had something to do with decision for Foreign Minister appeared convinced necessity sending someone until afternoon Cabinet meeting with Prime Minister.

Though not represented Manila, Foreign Minister requested Laotian Government be kept informed as possible by Legation of progress and decisions conference.[5]

HEATH

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[1] Sent also to Saigon and Manila (for the U.S. Delegation at the Manila Conference); repeated for information to Phnom Penh, Bangkok, Karachi, Canberra, Wellington, London, and Paris.

[2] Dated Aug. 26, p. 802.

[3] Dated Aug. 27, p. 803.

[4] Prince Souvanna Phouma.

[5] In telegram 40 to Phnom Penh, Aug. 31 (repeated to Saigon, Manila, and Paris), the Department reported: "Cambodian Ambassador today stated he instructed by government express appreciation US for its position regarding inclusion Cambodian territory within Southeast Asia defensive pact. Said Cambodia understood because of presumed agreement between Eden and Chou En-lai, Associated States would not be members of a Southeast Asia pact. This was accepted by Cambodia so long as its area covered specifically by a defensive guarantee by the pact members." The Ambassador had stated also that Cambodia would not send any observers to Manila because of a shortage of personnel. (790.5/8–3154)

790.5/9-154

Memorandum of Conversation, by the Acting Deputy Assistant Secretary of State for Far Eastern Affairs (Baldwin)

CONFIDENTIAL [WASHINGTON,] September 1, 1954.

Subject: SEATO Treaty

Participants: Mr. F. J. Blakeney, Counselor, Australian Embassy
Charles F. Baldwin—Acting Deputy Assistant Secretary

At luncheon, Mr. Blakeney raised the question of the economic article (Article III) of the U.S. draft of the SEATO Treaty [1] and said that his Government was very much interested in what might be said and done at the Manila Conference with respect to economic assistance for Asia.

In response to a direct question, Mr. Baldwin outlined arguments used against using SEATO as the vehicle for an economic organization or program, including:

(1) The very limited participation of Asian countries in SEATO;
(2) The fact that neither Japan nor India would be a party; and
(3) The unrealism of expectations that the so-called "uncommitted" countries of Asia would be willing to participate in an economic organization which was a part of a collective security organization which they were unwilling to join.

Mr. Baldwin explained that the U.S. belief that an economic organization should not be built up within the SEATO framework should not be regarded as indicating any lack of appreciation of the desirability and importance of achieving economic improvement in the countries of free Asia or unwillingness on the part of the U.S. to discuss this important matter with its friends. Mr. Blakeney said that he could accept the arguments mentioned but felt that a negative position with respect to a SEATO economic organization left unanswered the important question of what should be done to improve economic conditions in Free Asia, a matter which was of great interest to his Government. How, he asked, could SEATO members cooperate in a large economic program for Asia.

Mr. Baldwin referred to the Colombo Plan as an existing mechanism for such cooperation and mentioned the recently announced willingness of Australia to sponsor Japan's application for membership in the Colombo Plan organization. Mr. Blakeney admitted that the Colombo Plan was a suitable mechanism but said that it had been hampered by lack of funds since its inception. In response to repeated inquiries by Mr. Blakeney as to what the U.S. had in mind with respect to a more effective organization or economic program for free Asia, Mr. Baldwin expressed the personal opinion that, at some appropriate time after the SEATO treaty matter had been disposed of, the question might well be discussed between the U.S. and its allies, including Australia. He asked Mr. Blakeney if his government had any specific plans in mind except its interest in commodity price stabilization agreements which were referred to in a recent *aide-mémoire.* Mr. Blakeney said that he was not well informed on the subject but would endeavor to obtain additional information from Canberra.

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[1] See SEAP D-2/1a dated Aug. 24, p. 784.

Mr. Blakeney referred to the *aide-mémoire* which the Australian Ambassador had delivered to Secretary Dulles yesterday,[2] and which expressed misgivings over the growing belief that the U.S. would oppose any kind of organization growing out of the SEATO treaty. He said that he had observed a pronounced change in the U.S. attitude on this point during the last six weeks culminating in the present U.S. position against even the establishment of a SEATO Council or a permanent seat at which a secretariat could be located. He said that his government, faced with the necessity of budgeting for military expenditures, required reasonably specific information with respect to the commitments which Australia would be asked to undertake with respect to the future defense of Southeast Asia. Canberra felt that SEATO, if it were to have any real significance, should provide a planning mechanism to produce invaluable information as a part of the development of over-all defense plans.

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[2] Dated Aug. 31, p. 824.

396.1 MA/9-254: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

SECRET MANILA, September 2, 1954—9 p.m.

Secto 3. Second session working group, September 2 morning.[2]

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[1] The content of this telegram indicates that it was prepared by the U.S. Delegation to the Manila Conference.

Telegram repeated for information to Phnom Penh, Saigon, Vientiane, Bangkok, New Delhi, Karachi, Tokyo, Canberra, Wellington, London, and Paris, and by pouch to Colombo, Djakarta, and Rangoon. Telegram repeated for information to CINCPAC via military channels; the Department was requested to pass it to the Department of Defense.

[2] A summary of the first session held the afternoon of Sept. 1, at which the U.S. draft of Aug. 24 (p. 784) was accepted as the basis for detailed discussion, is in telegram Secto 1 from Manila, Sept. 1, not printed. (Conference files, lot 60 D 627, 'F 353)

Shanahan (New Zealand) in general statement had gravest doubts on wisdom of limitation of treaty to "Communist" aggression both on practical grounds and since it would do enormous damage in other countries of Asia which it was hoped to associate with any organization established.

Watt (Australia) analyzed operative clauses of NAT and ANZUS-type language used in SEA Pact draft to show that difference not so great as press discussion suggested. Article 5 of NAT not "automatic" since each party agrees to take action "it deems necessary." Noted that Article II of NAT referred to respective constitutional processes which public discussion of SEA Pact draft associated only with ANZUS. In any case, resulting action is more important than fine distinction of wording. Final language should be effective and provide for some degree of consultation, especially in case of doubt as to gravity of particular incidents.

Phleger traced origin of language in NAT and ANZUS-type commitments. Referred to Senate debates on NAT ratification new clear understanding that respective constitutional powers of President and Congress unchanged by NAT. Specifically powers of President as Commander-in-Chief are identical under both arrangements. Said considered view of Secretary was that language of ANZUS, Philippine, Korean Treaties [3] was most appropriate for new treaty.

Since (Philippines) agreed both types of commitment served same purpose from US point of view, but preferred NAT language as conveying greater sense of immediate response to emergency which important factor in Philippines against background of experience in last war.

Each delegation except US then indicated which articles of third draft were acceptable and kind of changes to be proposed on each of others, as preliminary to examination of specific language of third draft.

SPRUANCE

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[3] For text of the Mutual Defense Treaty between the United States and the Republic of Korea, signed at Washington on Oct. 1, 1953, see 5 UST (pt. 3) 2368.

396.1 MA/9-254: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

SECRET MANILA, September 2, 1954—9 p.m.

Secto 2. We have canvassed informally other dels re problem Vietnamese and Dutch request for observer status at conference.[2] It clear that if request of Vietnam formally put before working group there will not be agreement to allow Vietnam send representatives which would have any connection with conference formal or informal. In addition to UK, Australia, and New Zealand opposition, Pakis are unalterably opposed. Re Dutch request, none of dels favorable since, and we concur, allowing Dutch send observers would open door for other countries make similar request even though they might have no interest in area and in circumstances we believe it might be advisable suggest to both Vietnamese and Dutch Governments that they not make formal requests to conference re observers. Such requests if formally presented would undoubtedly be rejected which would seem to us to create embarrassing situation both for those two governments and for governments represented conference. We intend keep Dutch Minister Manila informed re progress conference and suggest US diplomatic representatives Saigon, Phnom Penh, Vientiane do same for governments to which accredited.

Please instruct.[3]

SPRUANCE

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[1] The content of this telegram indicates that it was prepared by the U.S. Delegation to the Manila Conference.

Telegram repeated for information to The Hague, Phnom Penh, Saigon, and Vientiane.

[2] The Dutch request for observers had been conveyed in telegram 348 from Ambassador Matthews (at The Hague) to the Department, repeated for information to the U.S. Delegation at Manila. According to Matthews Foreign Minister Luns "asked that I pass this official request on and said its acceptance would help mitigate Dutch bitterness at their total exclusion from all Southeast Asian discussions." (396.1 MA/9-154)

[3] In telegram Tosec 23, Sept. 3, repeated to Saigon and The Hague, the Department replied: "Department believes that if US Del unable informally remove opposition among UK and other dels to Vietnamese request US Del should advise Embassy Saigon inform Vietnamese Foreign Minister that although US would like see Vietnamese observer at Manila position of Conference appears to be in opposition to having any observers present from nonsignatory countries even on unofficial basis." (396.1 MA/9-354) The delegation acted on this request in telegram 141 from Manila to Saigon, Sept. 5, repeated as Secto 10 to Washington, not printed. (396.1 MA/9-254)

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] September 3, 1954—11:30 a.m.

[Here follows a list of persons present (27). All of the members of the Joint Chiefs of Staff attended. Murphy led the State Department group; Gleason attended for the NSC and the CIA was represented by Lieutenant General Charles P. Cabell, now its Deputy Director.]

1. Australian Proposal Concerning Military Machinery for SEAP.

Mr. Murphy invited the attention of the Joint Chiefs to a telegram from Manila [2] setting forth the Australian revision of Article 5 of the draft of the Southeast Asia Pact, which would include a vague reference to the need for establishing military machinery in order to implement the terms of the treaty.

Admiral Radford stated the Joint Chiefs did not concur with the Australian revision. He referred to his experience at the conference in Honolulu when ANZUS had been set up. There, an effort had been made by the Australians to insert some vague wording regarding military machinery, which had the ulterior purpose of involving the U.S. in a commitment which this country did not wish to make. Vague wording, the Admiral added, containing the seeds for a great deal of argument. The U.S. wants to avoid a definite commitment in that part of the world. Admiral Carney echoed this view. He said that with such a vague clause, subsequent discussion as to details would immediately cause trouble.

Admiral Radford continued that in his opinion the Australian proposed revision was a reflection more of a British, rather than of an Australian desire. He believed that just as at the Honolulu conference the Australians would eventually back down. Some formula involving military representatives, as in the case of the ANZUS treaty, was as far as we ought to go.

Mr. Murphy stated that the State Department agreed with the Joint Chiefs of Staff that the Australian revision should be watered down to conform more with a draft of Article 5 as contained in a telegram from the Defense representative [3] at the Conference in Manila.

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

[2] Apparent reference to telegram Secto 5 from Manila, Sept. 3, p. 833, received at 4:26 a.m. on Sept. 3.

[3] Not found in Department of State files.

[Here follows discussion of the European Defense Community, France, and China.]

396.1 MA/9-354: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

SECRET MANILA, September 3, 1954—noon.

Secto 4. Third session working group, September 2 afternoon.

Meeting opened with distribution by Philippine delegation of draft declaration entitled "Draft of a Pacific Charter." Text same as that in SEAP D-8 [2] except that in paragraphs 5 and 6 phrase "self-government or independence" substituted for "self-rule and independence", and in last paragraph words "and the Southwest Pacific" are deleted. Draft was presented as adjunct to treaty and as expression of concern of countries in Southeast Asia with problem of freedom and independence as well as with threat of Communist aggression. Hilaly (Pakistan) stated that something along lines of Philippine draft would meet with support of his government.

US delegation called attention of meeting to primary task of getting treaty in shape for Ministers by Saturday target date, and hoped delegates could begin consideration of treaty draft article.

Working group began article-by-article consideration working draft No. 3 [3] (see SEAP D-2/1a *note:* some addressees may not yet possess reference document. Full text as reported to Ministers by working group will be cabled when ready, perhaps within 36 hours).

Southeast Asia Collective Defense Treaty.

Preamble

Paragraph 3.

At Philippine suggestion, deleted "to promote stability and well being in treaty area" and inserted "and freedom" after "peace".

At UK suggestion inserted "treaty" before final word "area".

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[1] The content of this telegram indicates that it was prepared by the U.S. Delegation to the Manila Conference.

Telegram repeated for information to Bangkok, Karachi, New Delhi, Saigon, Tokyo, Canberra, Wellington, London, and Paris, and by pouch to Colombo, Djakarta, Phnom Penh, Rangoon, and Vientiane. Telegram repeated for information to CINCPAC via military channels; the Department was requested to pass it to the Department of Defense.

[2] SEAP D-8, Aug. 25, includes a text of the "Declaration of Principles" as received by the Department from the Philippine Embassy the previous day. (Conference files, lot 60 D 627, CF 348) It is virtually identical to the text transmitted in telegram 534 from Manila, Aug. 22, p. 777.

[3] Dated Aug. 24, p. 784.

Paragraph 4.

Placed "Communist" in brackets for resolution by Ministers.

Regarding paragraph 4, all delegations except US favored elimination of word "Communist". US delegation suggested that word be bracketed and set aside to permit further discussion draft to proceed. Phleger presented concise explanation US position, pointing out that word "Communist" in preamble is related its use in Article IV. It was pointed out that treaty not intended apply in event conflict between signatories or between signatories and non-Communist countries in treaty area. Allen (UK) then restated UK position that it preferred to omit word "Communist" and stated that any armed attack in treaty area would be regarded by UK as threat, and that UK would act to meet common danger. Allen said material to change that treaty had aggressive intent.

Article I.

Approved.

Article II.

Discussed three proposed changes. Will begin Friday morning session with consideration this article.

SPRUANCE

396.1 MA/9-354: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

SECRET
NIACT

MANILA, September 3, 1954—3 p.m.

Secto 5. At working group meeting this morning Australian representative tabled amendment to Article V, inserting following sentence between first and second sentences US draft: "The council shall set up such subsidiary machinery as may be necessary to achieve the military and other objectives of the treaty". Australian representative stressed interest of Australian public opinion in effectiveness of any treaty which should be arrived at and stated that addition specific mention of machinery would help public reception of results Manila conference. Australian representative pointed out provision for machinery was permissive and would require unanimous vote of council. Australian proposal supporting proposal tentatively suggested words "military and other" might be omitted to avoid over-emphasis on military aspects treaty. France and UK reserved position. US stated would refer to Government.

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[1] The Department was requested to pass this telegram to the Department of Defense.

We believe there will be very strong pressure for inclusion some such statement and that eventually inclusion such statement will be supported by probably all other delegations. Will discuss with Secretary and Admiral Davis on their arrival. Request State and Defense views soonest.

SPRUANCE

396.1 MA/9-354: Telegram

The Chargé in Cambodia (Colquitt) to the Department of State [1]

SECRET PHNOM PENH, September 3, 1954—6 p.m.

108. Following our approach to Foreign Minister concerning position of Cambodian observers to Southeast Asia Pact Conference at Manila, as instructed Deptel 34,[2] Foreign Minister consulted with Prime Minister and has informed us that Government has decided not to send observers. Both Prime Minister and Foreign Minister have, nevertheless, strongly expressed Government's hope and expectation that protective covering of pact will be extended to include Cambodia, as well as earnest hope that door will be left open to permit eventual adherence to pact.

Foreign Minister in fact remarked in informal conversation that Cambodian observers not necessary in view assurance he said he received from General Smith at Geneva that US would back these positions. Besides, he said, they have no qualified person to send as observer.

It seems possible Cambodian decision has been influenced by British view, perhaps supported by French Acting High Commissioner whom Prime Minister stated had approached him on subject, that prior consultation with Associated States re their designation under pact would be inconsistent with understanding reached at Geneva.

From informal conversations with Prime Minister and Foreign Minister Government's position seems based on confidence protective covering SEATO will extend to Cambodia, while enabling nation to tread international tight rope carefully during critical period of implementation Geneva accord. In brief, its position is essentially one of confidence in Western Allies and of timing in relation to gradual evolution of circumstances it faces.

COLQUITT

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[1] Sent also to Saigon; repeated for information to Bangkok, Manila, Vientiane, and Paris.

[2] Identical to telegram 795 to Saigon, Aug. 27, p. 803.

Conference files, lot 60 D 627, CF 357

Memorandum by the Counselor of the Department of State (MacArthur) to the Secretary of State [1]

SECRET [MANILA,] September 3, 1954.

In connection with the meeting of the Ministers on the Southeast Asia Treaty (text of working draft attached as Tab A),[2] the following questions will need either to be decided by the Ministers or will require instructions from you so that we may settle them before the meeting begins.

1. Use of the word "Communist"

In the Working Group, all the other Delegations except Thailand are strongly opposed to the use of the word either in the Preamble or in Article IV. Their opposition is based principally on three counts:

a. that other collective security treaties have not been so drafted as to be directed against one specific threat but have been based solely on the right of self-defense against any attack;

b. that the use of the word "Communist" psychologically might make other Southeast Asia and South Asia powers more reluctant to associate themselves with the treaty in the future, and, also, that its use might be unduly provocative to the Communists;

c. that the word is not a legal term appropriate for inclusion in the treaty.

We have stated on many occasions both in the Working Group and privately to the individual Delegations why the US desires the inclusion of the word in the treaty. While some of the others admit that this probably is the best formula to make exactly clear what the commitments under the treaty are and what it is directed against, they still are not disposed to agree with our position. They recognize, with the exception of Pakistan, that the treaty should not be so drafted as to encompass disputes between non-Communist states, but none have suggested any language to accomplish this purpose.

We have prepared for discussion with you possible alternative language and also possible US reservations at the signing. (Tab B).

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[1] A marginal notation by O'Connor indicates that this memorandum was seen by the Secretary.

The Secretary's party arrived in Manila at 6 p.m., Sept. 3, Manila time.

[2] Reference is to the U.S. working draft, SEAP D-2/1a, p. 784.

2. NATO vs. ANZUS language for Article IV, paragraph 1

We have explained both in the Working Group and privately to the Delegations why the ANZUS and Philippine Treaty language is preferable to the NATO language. While recognizing in the bosom of the family the validity of our arguments, the Filipinos are pressing strongly for the NATO-type language, principally for public opinion reasons. Unfortunately, the Filipinos have built up the public impression that the NATO commitment is strong and ANZUS weak, and are thus victims of their own booby trap. Based on our Working Group discussions, I believe that all the other governments will accept an ANZUS-type formula.

I recommend that you discuss this question with President Magsaysay this evening and urge him to accept our proposed language, which is that of the ANZUS and Philippine Treaties.

3. Philippine Draft of a Pacific Charter

In the Working Group the Philippine representative submitted a draft Pacific Charter for discussion (attached as Tab C).[3] None of the other Delegations wished to discuss this draft before having opportunity to consult their Ministers, and it is being held over for ministerial discussion so as not to delay progress in the Working Group on the draft treaty.

In the Working Group, however, the Pakistan representative immediately stated that something along the lines of the Philippine draft would be acceptable to the Pakistan Government.

The draft Charter will require careful study, as certain of its provisions as presently drafted are unacceptable. The Filipinos attach great importance to issuing such a "Pacific Charter" and Magsaysay will undoubtedly raise this tonight.

4. Organization to be established under the treaty

While there has been no formal Working Group discussion of this question, all the other Delegations are intensely interested in it and have been pressing their views with us informally. The Filipinos will take the lead in pressing for a NATO-type organization, particularly as regards military machinery. They will probably be supported by the Thais and Pakistanis. The Australians and New Zealanders, while not urging a NATO-type organization, strongly desire the establishment of some organization under the treaty. The Australians have proposed an addition to Article V which would specifically state that the Council shall set up subsidiary machinery (set Tab D).[4]

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[3] See telegram Secto 4, Sept. 3, p. 832.

[4] Not found attached; but see telegram Secto 5, Sept. 3, p. 833.

We have maintained the US position which envisages the ANZUS-type of arrangement for Council meetings without the establishment of any permanent machinery.

I am sure that most of the other Ministers will request opportunity to talk with you on this problem. The New Zealand Working Group representative already has asked me to relay to you his Minister's request for such a talk.

I believe that the Ministers will have their hands full with the draft treaty during the present meeting and that we should seek to avoid discussion of the organizational problem. We could take the position that the Council itself should be given the task of considering and reaching agreement on what machinery may be necessary to implement the pact. In adopting this position we will doubtless have to agree on a meeting of the Council in the relatively near future. Late October or early November might be appropriate, as this would be after the Colombo meeting in Ottawa which will provide a forum for exchange of views on how the economic problems of Southeast Asia might best be dealt with. If such a Council meeting is to be held, Honolulu might be an appropriate place since it has excellent facilities and will provide a pleasant atmosphere which might facilitate the meeting.

[Tab B]

TOP SECRET [MANILA,] September 1, 1954.[5]

Alternatives

1. a. In Preamble, substitute "international totalitarian" for "Communist".

b. In Article IV, substitute "international totalitarian" for "Communist".

2. a. In Article IV, paragraph 1:

Line 1, omit "Communist";
Line 2, substitute "from without" for "in", insert "in the Treaty area" between "Parties" and "or".

b. Substitute a new Article VIII as follows:

The Treaty area comprises the general area of Southeast Asia and Southwest Pacific lying south of the line: 21 degrees 30 minutes north latitude in the Pacific to a point due north of the Paracels, thence south to the Paracels, thence west to the northeastern point of the territory under the jurisdiction of the free Vietnamese government, thence generally westward following the northern boundaries of the territory under the jurisdiction of the free Vietnamese government, Laos, Burma, India, Butan, Nepal, and Pakistan, and terminating at the junction of the Pakistan border and the Gulf of Oman.

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[5] This date is certain for the section headed "Alternatives" only. On the source text, the reservations and the "Third Alternative" are on separate pages with varying typefaces, and are classified "Secret".

Reservation of the United States of America

The Delegation of the United States of America in signing the present Treaty does so with the reservation that the aggression and attack referred to in Article IV are Communist aggression and attack insofar as its obligations thereunder are concerned.

Reservation of the United States of America

The Delegation of the United States of America in signing the present Treaty does so with the reservation that its obligations under Article IV are limited to Communist aggression and attack.

Article IV Third Alternative

1. Each Party recognizes that renewal of the aggression in Indochina or initiation of like aggression by means of armed attack in the treaty area against any of the Parties, or against any States or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it would act to meet the common danger in accordance with its constitutional processes.

396.1 MA/9-454: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State [1]

SECRET MANILA, September 4, 1954—11 a.m.

Secto 7. Working Group, Fourth and Fifth Sessions September 3.

All other articles except IV discussed. Redraft of entire treaty including non-controversial changes and indicating alternatives in certain cases is being prepared and will be cabled immediately following final working group meeting now scheduled 10:00 Saturday.

French proposed number of amendments but none met with general approval. Although Daridan obliged reserve his government's position on all of them, we doubt that France will insist on them after arrival of Chauvel[2] and La Chambre.[3] Likewise Philippines introduced all amendments in paper handed Department August 28,[4] but with exception Article IV and reference to self-determination they received little support and will probably not cause serious difficulty.

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[1] Content of this telegram indicates that it was prepared by the U.S. Delegation to the Manila Conference.

Telegram repeated for information to Bangkok, Karachi, New Delhi, Phnom Penh, Saigon, Tokyo, Vientiane, Canberra, Wellington, London, and Paris, and by pouch to Colombo, Djakarta, and Rangoon. Telegram repeated for information to CINCPAC via military channels; the Department was requested to pass it to the Department of Defense.

Australians proposed inserting in Article V specific reference to setting "such subsidiary machinery as may be necessary to achieve military and other objectives of treaty" in order make treaty appear more effective. Other delegations supported this and we referred it to Department (Secto 5).[5]

Discussion of economic measures has left it clear that existing or future bilateral or multilateral programs need not be disturbed or brought within scope of this treaty. There has been no pressure so far for discussion of plans for additional economic measures. New language of Article III devised by us to reconcile number of points made by others and to retain desired flexibility met with general approval.

Article IV to be discussed September 4.

SPRUANCE

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[2] Jean Chauvel, former French Ambassador to Switzerland and a delegate to the Geneva Conference, was a member of the French Delegation at the Manila Conference.

[3] Guy La Chambre, Minister for the Associated States, was head of the French Delegation at the Manila Conference.

[4] See telegram 778, Aug. 28, p. 805.

[5] Dated Sept. 3, p. 833.

396.1 MA/9-454: Telegram

The Ambassador in the Philippines (Spruance) to the Department of State[1]

SECRET MANILA, September 4, 1954—4 p.m.

Secto 9. Working group concluded sessions September 4 with following text to be presented to Ministers on September 6:

Verbatim Text

Southeast Asia Collective Defense Treaty

Preamble

The parties to this Treaty, recognizing the sovereign equality of all the parties, *reaffirming the principles of self determination and the right of all peoples to self government or independence,* (see note 1)

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[1] Content of this telegram indicates that it was prepared by the U.S. Delegation to the Manila Conference. Telegram transmitted in four sections.

Reiterating their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,

Desiring to strengthen the fabric of peace and freedom and to uphold the principles of Democracy, individual liberty, *self determination of peoples,* (see note 2) the rule of law, and to promote the economic well-being and development of all peoples in the Treaty area,

Noting the agreements concluded on 20th July, 1954, at the Geneva Conference and declaring that any renewal of the aggression in violation of the aforesaid agreements would be a matter of grave international concern, (see note 3)

Intending to declare publicly and formally their sense of unity, so that any potential (Communist) (see note 4) aggressor will appreciate that the parties stand together in the area, and

Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,

Therefore agree as follows:

Article I

The parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations. (Agreed)

Article II

In order more effectively to achieve the objectives of this Treaty, the parties, separately and jointly, by means of continuous and effective self-help and (mutual aid) (see note 5) will maintain and develop their individual and collective capacity to resist armed attack (and to prevent and overcome subversive activities directed from without against their territorial integrity and political stability). (See note 6)

Article III

The parties undertake to strengthen their free institutions and to cooperate with one another and with other free States in the further development of economic measures, including technical assistance, designed to promote economic progress and social well-being and to supplement the individual and collective efforts of government toward these ends. (See note 8)

Article IV

1. Each party recognized that (Communist) (see note 9) aggression by means of armed attack in the Treaty area against any of the parties or against Cambodia, Laos, or the territory under the jurisdiction of the Free Vietnamese Government, or against any States or territory which the parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it (would act to meet the common danger in accordance with its constitutional processes) (see note 10). Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations. (See note 11)

Article IV

2. If in the opinion of any of the parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any party in the Treaty area or of any other State or territory to which the provisions of paragraph 1 from time to time apply is threatened in any way other than by armed attack or is affected or threatened by any other fact or situation which might endanger the peace of the area, the parties shall consult immediately in order to agree on the measures which should be taken for the common defense. (See note 12)

Article V

The parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. *The Council shall set up such subsidiary machinery as may be necessary to achieve the military and other objectives of the Treaty.* (See note 13) The Council is empowered to arrange with States not parties to the Treaty for cooperation in giving effect to any of the provisions of the Treaty. The Council shall be so organized as to be able to meet at any time.

Article VI

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each party declares that none of the international engagements now in force between it and any other of the parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

(Agreed)

Article VII

The parties may by unanimous agreement invite any other States in a position to further the objectives of this Treaty and to contribute to the security of the area to accede to this Treaty. Any State so invited may become a party to the Treaty by depositing its instruments of accession with the government of (blank). The government of (blank) will inform each of the parties of the deposit of each such instrument of accession. (See note 14)

Article VIII (See note 15)

As used in this Treaty, the "Treaty area" is the general area of Southeast Asia and of the Southwest Pacific, not including the Pacific area north of 21 degrees 30 minutes north latitude. The parties may by unanimous agreement amend this article to include within the Treaty area the territory of States acceding to this Treaty in accordance with Article VII or otherwise to change the Treaty area.

Article IX

This Treaty shall be ratified and its provisions carried out by the parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the government of the (blank) which shall notify all of the other signatories of such deposit.

The Treaty shall enter into force between the States which have ratified it as soon as the ratifications of a majority of the signatories shall be deposited, and shall come into effect with respect to other States on the date of the deposit of their ratification. (See note 16)

Article X

This Treaty shall remain in force indefinitely, but any party may cease to be a party one year after its notice of denunciation has been given to the government of (blank), which will inform the governments of the other parties of the deposit of each notice of denunciation. (See note 17)

Note 1: Addition proposed by the Pakistan delegation as an alternative to the additional Article IV proposed by the Philippine delegation.

Note 2: Proposed insertion by the Thai delegation.

Note 3: The Australian delegation proposes the insertion of this paragraph.

Note 4: The UK, Australian, New Zealand, France, Philippine, and Pakistan delegations oppose the inclusion of the word "Communist." This matter will be referred to the Ministers for resolution.

Note 5: The UK delegation proposes the substitution of "consultation and cooperation with one another." The Pakistan delegation proposes the substitution of "assistance" for "aid."

Note 6: The French delegation proposes the deletion of this language.

Note 7: The Pakistan delegation proposes for the whole article:

"In order to promote economic stability and social well-being and thereby remove a basic cause of weakness in the Treaty area, the parties recognize the urgent need for fuller and more effective development of economic resources in the area, and undertake to cooperate with one another for the purpose. The parties appreciate the desirability of supplementing present economic and technical assistance available to the area and of continuing the utilization of existing bilateral arrangements for the purpose where they are regarded as adequate."

The French delegation proposes for the whole article:

"In the economic field the parties undertake to cooperate between themselves and with other countries animated by the same intentions.

"They will take collectively or individually, the measures destined to insure economic stability, to promote agricultural and industrial development and equipment and to encourage social well-being in the area defined under Article VIII below.

"To this end, they will study the requests for assistance which may be directed to them and will back them with their authority as appropriate. They will have recourse, as need may be, to the adequate existing organizations."

Note 8: The Philippine [delegation] proposes a new article to be inserted after this article and to be numbered as Article IV:

"The parties recognize and will uphold the principle of self-determination and the right of the peoples in the area of Southeast Asia and Southwest Pacific to self-government or independence."

Note 9: The UK, Australian, New Zealand and Pakistan delegations propose deletion of the bracketed word.

Note 10: The Thai delegation proposes the substitution of the following language: "Will in that event take appropriate action to meet the common danger." [2]

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[2] The Secretary and MacArthur discussed this language with Prince Wan and Ambassador Pote Sarasin late on the afternoon of Sept. 5. Part of MacArthur's memorandum of this conversation follows:

"The Secretary paid a courtesy call on Prince Wan this afternoon. After the usual amenities, Prince Wan made reference to the proposed Thai amendment to Article IV of the draft Treaty. He explained that in Thailand, people had the impression that the NATO formula was much stronger than the ANZUS formula, and that while he recognized the validity of the position put forward by the US, he attached great importance to the Thai amendment which modifies the existing draft by saying '. . . will in the event take appropriate action to meet the common danger.' Prince Wan also said it would be helpful if 'would act' could be changed to 'will take action.'

"The Secretary explained the fact that as a practical matter there was no real difference between the two formulas, and outlined the Congressional background on the question. He urged Prince Wan very strongly to accept the formula as drafted but said he would be very glad to accept changing 'would' to 'will.' Although the

Continued

Note 11: The Philippine delegation proposes substitution of the following language for the whole paragraph 1:

> "1. The parties agree that an armed attack against one or more of them in Southeast Asia or Southwest Pacific shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them in exercise of the right of individual or collective self-defense, recognized by Article 51 of the Charter of the United Nations, will assist the party or parties so attacked by taking forthwith, individually and collectively with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the Southeast and Southwest Pacific area."

The Pakistan delegation proposes substitution of the following language for the whole paragraph 1:

> "Each party recognizes that aggression by means of armed attack in the Treaty area against any of the parties, or against any State or territories which the parties, by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it would act to meet the common danger in accordance with its own constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

Note 12: The French delegation proposes substitution of the following language for the whole article:

> "Each of the parties will consider as endangering peace and its own security any armed attack in the Treaty area against any of the parties, or against the Kingdom of Cambodia, the Kingdom of Laos, and the State of Vietnam, or against any other State or territory which the parties designate by unanimous agreement. Each of the parties agrees to take all individual or collective measures required to face the common danger. The measures taken under this paragraph will be immediately reported to the Security Council.
>
> "Each of the parties will consider as a threat to peace and to its own security any armed attack in the area against a State other than the States indicated in the preceding paragraph. The parties agree, in such an event, to consult immediately with each other on the measures which could be taken individually or collectively to meet such threats.
>
> "Any action other than an armed attack such as to impair the political or territorial status of any one of the participating States will also call for consultation among the parties, when such action is such as to endanger the peace of the area."

Secretary did not specifically indicate that he would be agreeable to changing 'act' to 'take action,' he did not rule out this change.

"Prince Wan implied that he would not have to press his amendment." (790.5/9-554)

Note 13:

The underlined sentence [3] has been proposed by the Australian delegation.

The Pakistan delegation proposes the deletion of "military and other" in that sentence.

Note 14:

The Philippine delegation proposes the insertion of the words "United States of America" in the blank spaces.

Note 15:

The Philippine delegation has proposed the following substitute language for the whole article:

> "As used in this treaty, the 'treaty area' is the area of Southeast Asia and Southwest Pacific within the territorial jurisdiction of the parties. The parties may by unanimous agreement amend this article to include within the treaty area the territory of states acceding to this treaty, or otherwise to change the treaty area."

The Pakistan delegation proposes the following redraft of the first sentence:

> "As used in this treaty the 'treaty area' is the general area of Southeast Asia and of the Southwest Pacific, not including the Pacific area north of 21 degrees 30 minutes north latitude but including the entire area under the territorial jurisdiction of Asian parties whether situated within or without Southeast Asia."

Note 16:

The Philippine delegation proposes the insertion of the words "United States of America" in the blank space.

Note 17:

The Philippine delegation proposes the insertion of the words "United States of America" in the blank space.

SPRUANCE

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[3] Printed as italics.

Conference files, lot 60 D 27, CF 357

Memorandum of a Meeting of the United States Delegation to the Manila Conference [1]

SECRET

MANILA, September 5, 1954—10:12 a.m.

Participants:

The Secretary
Senator Smith
Admiral Davis
Mr. Sullivan

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[1] All participants were members of the U.S. Delegation to the Manila Conference.

Continued

Senator Mansfield
Mr. MacArthur
Mr. Phleger
Ambassador Sebald
Mr. Stelle
Mr. O'Connor
Mr. Galloway
Mr. Trulock

Following is a summary of the principal comments on the Working Group draft of the Treaty: [2]

Preamble

a. *Self-determination point.* The Secretary said that we would have no objection to the inclusion of the Pakistan language in the preamble but that if the UK and others had difficulty with this we might propose language from the Potomac Charter [3] referring to the right of "people who are capable of sustaining independence". Another alternative would be to use Mr. Phleger's suggestion referring to the principle of self-determination "as therein declared" in the UN Charter. The Secretary said that as a tactical matter we should not take leading role in this discussion.

b. *The Geneva Agreements.* It was agreed that we would have no objection to the inclusion of the Australian language on this point.

c. "*Communist* ". The Secretary said that we would probably be willing to eliminate the word "Communist" in the Preamble.

Article I

Approved—no comments.

Article II

a. "*Mutual aid*". The Secretary said that we could accept the UK substitution for this phrase if necessary.

b. "*Subversion*". Mr. MacArthur pointed out that the French were alone in wishing to delete this phrase. The Secretary said that we think this phrase a necessary part of the Treaty.

Article III

It was agreed that we would probably be able to get something very close to our language if we stick on it, and the Secretary said

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The Secretary and Senators H. Alexander Smith of New Jersey and Michael J. Mansfield of Montana were U.S. Plenipotentiary Representatives. MacArthur was Delegation Coordinator and Trulock, Deputy Coordinator. Phleger, Ambassador Sebald, and Vice Admiral Davis were Special Advisers. Stelle, Galloway, and Charles A. Sullivan (Chief, American and Far East Division, Office of Foreign Military Affairs, Department of Defense) were Advisers. O'Connor was Special Assistant to the Secretary. For a complete roster of the delegation, see Department of State *Bulletin*, Sept. 6, 1954, p. 345.

[2] For text, and description of the proposals of the several delegations mentioned below, see telegram Secto 9, *supra*.

[3] For text of the "Declaration by the President of the United States and the Prime Minister of the United Kingdom", June 29, 1954, sometimes known as the "Potomac Charter", see Department of State *Bulletin*, July 12, 1954, p. 49.

we should do this since it was most important that the economic provisions be broad enough to apply to countries outside the area, particularly to Japan.

(The Philippines proposed a new Article IV. It was agreed that while we would agree to refer to self-determination in the Preamble, it would not be advisable to have an Article on this subject in the operative part of the Treaty since it might be charged that the Treaty was in competition with the appropriate sections of the UN Charter.)

Article IV

Paragraph 1

a. The Secretary instructed Mr. Phleger to draft a Protocol for limited circulation to the principal officers of the Delegation, which would cover Cambodia, Laos, and free Vietnam.

b. The Secretary said that regarding "Communist aggression", he leaned toward a unilateral understanding along the lines suggested by Mr. Phleger. Senator Smith and Senator Mansfield stressed the necessity for leaving the "constitutional processes" in the text. They both felt it was likely that the Senate would attach a further reservation to the Treaty stating that it was specifically designed to meet Communist aggression. It was agreed that it might be desirable to change the word "would" in the 6th line of the present draft to "will". It was agreed that we should stick to the ANZUS language.

Coverage of "South Vietnam". The Secretary said the situation in South Vietnam was so precarious that while he wished this Treaty to cover the territory against aggression, he had serious doubts about coverage against other forms of take-over. He felt that it might be desirable to draw a line rather than name the State of Vietnam or Free Vietnam, thus making clear that it was crossing of the line that we would act to meet.

Senator Mansfield said he could see the Secretary's point in wishing to draw a distinction between South Vietnam and Laos and Cambodia, but he saw real disadvantages if it were obvious that we had differentiated between South Vietnam and Laos and Cambodia.

Paragraph 2

Senator Smith raised the point that there was no reference to constitutional processes in paragraph 2. It was pointed out that this paragraph calls for consultation only and it is taken directly from the Rio Treaty and that the Executive would consult with the other Parties to the Treaty and any action under paragraph 1 would, of course, be in accordance with constitutional processes.

Article V

The Secretary said he would discuss the Australian suggestion regarding subsidiary machinery with Foreign Minister Casey this afternoon. He will show him our substitute sentence on this point. It was pointed out that one of the advantages of "consultation" instead of "machinery" is that there would be no necessity for deciding on a site under the former.

Article VI

Agreed—no comments.

Article VII

It was agreed that we should propose that the Philippine Government be the depository for the instruments of accession.

Article VIII

It was agreed that if suitable language to meet the "Communist" point in Article IV is obtained, we could support the Pakistan substitute language with the substitution of the word "and" for "but" in the 4th line.

Articles IX and X

No comments, but presumably we would support the Government of the Philippines to fill in the blanks.

Observers from Laos, Cambodia and Vietnam

Mr. MacArthur said that Laos and Cambodia did not intend to request observer status. He added that if this matter were considered by the Conference with a negative result it would be most unfortunate. He therefore recommended that we not raise in the Conference the question of observers from Vietnam.

The Secretary agreed.

790.5/9-554

Memorandum of Conversation, by the Counselor of the Department of State (MacArthur)

SECRET MANILA, September 5, 1954—4 p.m.

Subject: Southeast Asia Collective Defense Treaty.

Participants: The Secretary
Australian Foreign Minister Casey
Senator Smith
Senator Mansfield
Mr. MacArthur

Mr. Casey opened the conversation by saying there was a problem to which the Australian Government attached great importance about which he wished to speak to the Secretary. He said that recently there had been a very important change in Australia's foreign policy and that Prime Minister Menzies had informed the country that Australia for the first time would commit Australian forces in advance of hostilities, under the SEATO concept. In other words, the Australian Government would undertake in advance to maintain and earmark forces for the defense of the Southeast Asia area. The Australian Government was also prepared and desirous of substantially increasing its defense budget. What the Australian Government wished, as a result of the SEATO Treaty, was to be able to say that under this Treaty its military obligations were X number of land forces, Y number of air forces, and Z number of naval forces. In other words, it will immeasurably help Australia in obtaining parliamentary authorization for additional defense forces if they can say that these additional forces are required to meet Australia's contribution under SEATO.

Furthermore, the Australian Government wanted to know how the US envisaged military planning to be undertaken under SEATO. There had been military planning under ANZUS which to some extent had been overtaken by the planning engaged in by the Five-Power Military Staff Agency which was now in abeyance. There was of course the question of security, particularly with reference to some of our Asian partners. But, if the ANZUS powers and the UK proceeded with secret military planning without informing the other SEATO powers, it might become known, and would raise an important political and psychological problem of a white inner-circle with an Asian outer-circle.

Mr. Casey said there were several possibilities which he had tentatively been turning over in his mind, but which he had not discussed with his Government. The serious military planning might be conducted by ANZUS plus the UK, and this in turn raised in his mind the "revolutionary" question of whether the time might not have come to invite the UK to join ANZUS, to have a cover for four-power military planning which could be applied to SEATO. Another possibility was to have the US alone be responsible for the planning, with the US bringing in the other SEATO powers as appropriate in the development of SEATO plans. This would in effect mean that the US would constitute a one-man Standing Group, although there could be on the side discrete planning with Australia, New Zealand, and the UK. He had no definite convictions on all these matters, but was simply letting the Secretary know the kind of possibilities which had been passing through his mind.

With respect to machinery for SEATO, Mr. Casey said Australia had no desire whatsoever to build up any elaborate machinery. Again, he had had some thoughts which he had jotted down at lunch-time, and which he would have typed up and sent to the Secretary. These consisted of the formation of a SEATO Military Representatives Committee on the Chief of Staff or theater command level, to be served by a small liaison group, which would arrange *ad hoc* meetings of planners. The planners could consider forces that might be earmarked for SEATO, logistical planning, security measures, etc.

The Secretary replied that he was not familiar with the details of the planning that had been undertaken by the Five-Power Military Staff Agency. He explained in detail why we did not wish to establish permanent machinery, but said this in no sense implied that we thought planning should not be undertaken. He mentioned that there was important planning to be done in the SEATO area, some of which would obviously have to be confined to the countries whose security was adequate. This, in effect, was the three ANZUS powers and the UK. There might be other matters on which the ANZUS powers alone would wish to make planning contingencies, such as the situation which would arise if Indonesia fell into Communist hands.

Mr. Casey then made reference to the Australian amendment to Article V, saying he understood that the US military found it generally acceptable subject to minor language modifications. The Secretary replied that the US did not like the Australian language because it implied that permanent machinery would be set up. They particularly did not like the use of the word "machinery." He said we had given thought to this matter and believed we could meet the Australian desires for Treaty language by substituting the following: "The Council shall provide for consultation with regard to military planning as required by the situation in the area."

The Secretary also commented that he did not like the Pakistan suggestion of eliminating the term "military," since that would imply there would be economic planning and the establishment of an economic organization under the Treaty, whereas the present US thinking was that the economic problems might best be dealt with through the Colombo plan, if Japan were also included since it was indispensable, as was Indonesia.

Mr. Casey looked at the new US language and said it seemed to meet their problem in terms of the Treaty draft, and he believed it would be quite acceptable. He said that while this meets his problems in terms of the Treaty, he still was not sure how he could say to the Australian people that under SEATO Australia's military contribution would be so many land forces, so many air forces, and so many naval forces, which was important to enable Australia to work up its defenses appreciably.

The Secretary said the problems of the US and Australia were somewhat different. The US had no intention of earmarking specific forces for SEATO. It believed in mobile reserve striking power. Furthermore, it had no territory in the Treaty area to defend. If the US started earmarking forces for here, there, and everywhere, it would run out of forces very rapidly since its commitments were global. The Secretary again emphasized that the US policy was based on strong mobile striking power and said that obviously it would continue to have substantial mobile air and sea forces in this general area and also some reserve land forces in Okinawa and Hawaii. In the event of aggression, such forces would be used and deployed where they could best serve the war effort. Mr. Casey nodded his assent.

The subject then turned to the question of the use of the word "Communist" in Article IV of the draft Treaty. Mr. Casey said he had received today a British suggestion which he knew had been communicated to the US. This involved eliminating the word "Communist"; defining more clearly the Treaty area; and having the Treaty apply to an attack from outside the Treaty area.

The Secretary said the British definition of the Treaty area raised lots of complications. Would the southern part of China be interpreted as being within the Treaty area? There were other questions also, and furthermore, the British formula was so complicated that he believed it would be most difficult to get Congressional understanding. Senator Smith said the Secretary was entirely right about this. The Secretary then said he had been thinking of accepting the elimination of the word "Communist" and attaching to the Treaty a reservation or statement of a US understanding that insofar as the US was concerned it applied only to a Communist attack. Mr. Casey said that insofar as he was concerned this would be entirely acceptable, and indeed might be the best way to meet this difficult problem.

In a discussion of Article IV, the Secretary said he had been giving thought to the question of whether Laos, Cambodia, and free Vietnam should be specifically included in the text of the Treaty or whether it might be preferable to have them covered in a Protocol which would indicate that their territory had been unanimously designated by the Parties as being covered by the Treaty against armed attack. Mr. Casey indicated that it was a point worth considering.

The Secretary concluded by saying that if the Conference were to accomplish its work in three days it would have to be a working conference and not a gathering to make political speeches for the record. Mr. Casey heartily endorsed this and said he would do his best to chip in, if there was a tendency to get into long-winded speeches, to remind the Members that they had a lot of work to do.

The Secretary also mentioned that he thought the best way to attack the problem of going over the Treaty was to examine it Article-by-Article and then at the end take up the Preamble; which raised many questions in connection with the specific Articles. Mr. Casey said he thought this might be a good way to handle it.

Conference files, lot 60 D 627, CF 356

Verbatim Proceedings of the Second Plenary Session, Manila Conference [1]

[Extract]

TOP SECRET MANILA, September 6, 1954—2:40 p.m.

Document No. II

. . . .

The Chairman.[2] All right, we will go forward.

Article V. Any remarks on Article V? Anybody has any objections to the approval of Article V?

Delegate of Pakistan.[3] Mr. Chairman, Article V. I originally proposed that Article V would have in addition the sentence which stands on the name of the Australian delegation.

The Chairman. The Australian delegation has proposed the sentence underscored, which reads as follows: "The Council shall set up such subsidiary machinery as may be necessary to achieve the military and other objectives of this Treaty." That is an addition to the original draft.

Delegate of Pakistan. Mr. Chairman, with regard to the sentence that you have just read, if "military and other" means "all", then we would prefer to have the sentence read simply "as may be necessary to achieve the objectives of the Treaty."

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[1] This and other transcripts of plenary sessions were apparently prepared by the conference officers, all of whom were members of the Philippine Department of Foreign Affairs or the Office of the President of the Philippines.

The First Plenary Session was held the morning of Sept. 6. A verbatim transcript, titled "Opening Ceremonies of the Manila Conference of 1954", is in Conference files, lot 60 D 627, CF 356. For a summary of that session, see telegram Secto 12, *infra*.

A summary of the Second Plenary Session, including portions of the discussion omitted here, is in telegram Secto 13 to Washington, Sept. 6, p. 861.

[2] Carlos P. Garcia, Vice President and Secretary of Foreign Affairs of the Philippines, and head of the Philippine Delegation to the Conference.

[3] Muhammed Zafrullah Khan.

The Chairman. What does the delegate from Australia[4] say to that?

Delegate of Australia. I think we better face the fact that although this is a military treaty as we all recognize, I do not think there is any gain saying the fact that it is largely a military treaty and as such I do not really see, with great respect to my friend, H. E. Zafrullah Khan, the purpose in avoiding the word "military." "Military and other" I think, all very rightly covers or intends to cover all the purposes of the treaty although I think we better face the fact that "military" is the most important side and, I think deserves mention, and that is the principal potential obligation into which we are all entering. With great respect to H. E. Zafrullah Khan, I would rather see the words "military and other objectives of the treaty" remain.

Delegate of Pakistan. Mr. Chairman, with due respect to my esteemed friend, the Delegate of Australia, I did not propose the avoidance of the word "military". I proposed that the emphasis shall continue to be on the objectives of the treaty, and if the objectives, as the Delegate of Australia has said, are largely military, that obviously covers the objective before you, and the large military objective would have to be implemented. I would rather deprecate the use of the expression "military and other" because that does not bring out so much the character of the treaty but it emphasizes the "military" and creates "and other" as being of little importance.

The Chairman. The Delegate of France.[5]

Delegate of France. (*Translated*) Mr. Chairman, the French delegation prefers the Australian amendment. It seems clear to us that the development of common action should lead to the setting up of a permanent body. It seems to us that the fact of giving or charging the council with the task of setting it up should give to the parties concerned a useful assurance without actually bridging the ways and means of this future endeavor. But if we have some difficulty in the wording, why do we not use the latter language. That is, the Council should set up the body which might be necessary. . . .[6]

The Delegate of Australia. Sir, if I might say just one additional word, I think that public opinion in a number of countries that would want to read this treaty—I think public opinion in many countries concerned in this treaty—in my own country, and I would expect, possibly in others, there has been a demand for a treaty with the use of identical expressions, when we come to the use of identical expressions, a treaty with teeth in it, and this has been said in my country not without official tone. I think if we seek to avoid, and I don't say this with offense to anybody, if we do not use the word "military" I think we will lose an opportunity at least of assuring our countries that this treaty means business. For instance, in Australia, we are prepared to enter into obligations and undertakings designed for the mutual security of the countries of Southeast Asia and also of other countries. I think the use of the word "military" would assure our own people in Australia, and I think at the same time, it will help reassure the peoples in the countries of Southeast Asia.

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[4] Richard G. Casey.

[5] Guy La Chambre.

[6] Ellipsis in the source text.

The Delegate of New Zealand.[7] I suggest to just cut it down to a sense of "as may be necessary to achieve the objectives of the treaty." As Mr. Zafrullah Khan said, "military" is one of the objectives of the treaty and if it had been originally prepared in that form, it might appear to be all right, but if it has the words "military and other objectives" in it, and now it is suggested that it should be cut, then I think the suggestion to be wise and I find it difficult now to say why, unless we say that "military objectives" are not one of the objectives of the treaty.

The Delegate of the Philippines.[8] I partly oppose the point of the Minister of Australia, but in view of the fact that there seems to be controversy on this article, so this might be passed over.

The Chairman. It seems that the remarks of the Delegate of Pakistan have engendered a sort of a controversy here, so we are going over and pass to Article VI.

. . . .

Now, we have reached the end of the draft. We will now go back to consider the controversial articles. It seems that we better start with this which is not highly controversial and where there is only a question of form, Article V. There is a very slight controversy on the elimination of three words.

Delegate of Thailand.[9] Mr. Chairman, I would suggest this compromise: Instead of saying "the military and other objectives", because I think "military" is too narrow a word, I propose "the defense and other objectives". In the NATO what they say is "as may be necessary". That was pointed out by the French Delegate. But at the same time, the NATO establishes the defense committee there, and I think that if "defense" could be used, perhaps the Pakistan Delegate might be able to agree.

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[7] T. C. Webb.

[8] Apparently Senator Delgado spoke in place of Garcia.

[9] Prince Wan Waithayakon.

The Delegate of Thailand. . . .[10] I think if "defense" could be used, perhaps the Thai delegation might be able to accept it. In other words, I do see the importance attached by the Australian delegate to the desirability of pointing clearly to the advisability of creating some organization for considering common defense problems. I think that is the point: and instead of creating a defense committee, I quite agree that we take this general form, but we might say, "defense" instead of military.

The Chairman. It will read: To achieve the defense and other objectives of the treaty.

The Delegate of the United States.[11] Mr. Chairman, the United States would not particularly like the use of the words "subsidiary machineries" because it seems a little bit too rigid to us. On the other hand, we do recognize the merit of the points of view stated by the Australian delegation and now by the Thai delegation. And it seems to us that perhaps a compromise on the different points of views could be found with such language as this: The Council shall provide for consultation with regard to defense and other planning as required by the situation in the area. I repeat: The Council shall provide for consultation with regard to defense as required by the situation in the area. I may say further as far as the United States is concerned, we would accept either the word "military" or "defense" or "security".

The Delegate of the Philippines. Mr. Chairman, since a suggestion has been made, by compromise and only by way of compromise, because we have already stated that we heartily support the Australian amendment and the view expressed thereon, but only by way of compromise, may we not suggest that after the word "military" a comma (,) should be placed and the word "economic" be inserted so that the thing should read: "To achieve the military, economic, and other objectives of the treaty." It includes not only the suggestion of the Delegate of Pakistan, but by adding "military, economic, and other objectives" it will have a wider range and might cover the ideas behind the proposal of the Minister of Pakistan.

The Chairman. There are three suggestions now, or three formulas I should say: one proposed by the delegate of Thailand which would replace the word "military" with the word "defense". The other one proposed by the United States which reads as follows: The Council shall provide for consultation with regard to defense and other planning as required by the situation in the area. And the Philippines formula is to add to the word "military" a comma

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[10] Ellipsis is in the source text.

[11] John Foster Dulles.

(,) and then the word "economic". So that that phrase will read now as proposed by the Philippines: "military, economic and other objectives of the treaty".

The Delegate of the United Kingdom.[12] Mr. Chairman, may I respectfully suggest this: The Council shall provide for periodic consultation as to the measure which may be necessary to achieve the objectives of the treaty in the light of the situation in the area.

The Chairman. We will call this the fourth formula. We have a wide range of choice now and if we could make this choice right now, it would be drafted for the conferees.

The Delegate of the Philippines. May I suggest that we hear from the Minister of Australia.

The Delegate of Pakistan. In a wider sense, all these are amendments to my view, but I may submit that while the Thailand and the Philippine amendments are amendments to the original purpose of trying to achieve the same purpose, but with the phraseology that meets with the points of view of both Australia and Pakistan, subject to whatever view will be expressed on the amendments themselves. With regard to the United Kingdom and the United States amendments, they have a different purpose in view.

The Delegate of Thailand. Mr. Chairman, I withdraw my own and accept the Philippine amendment.

The Chairman. So, the Philippine amendment now becomes Philippine-Thailand amendment which will read: To achieve the military, economic, and other objectives of the treaty.

The Delegate of Pakistan. Accepted.

The Chairman. It has been accepted by the author of the first proposed amendment to the draft, and so it becomes now Philippine-Thailand-Pakistan, or Pakistan-Philippines-Thailand, because Pakistan was the original. . . .[13]

The Delegate of Pakistan. Now, I am prepared to accept the amendment proposed.

The Chairman. So that the amendment now reads: "military, economic, and other objectives of the treaty."

The Delegate of Australia. Sir, I think if I could express my views as briefly as I can, on the several amendments and on the several alternatives, I think I may be excused, if I continue to support the stand of my delegation for the reasons I have given. But if I have to rest from that, my second line of defense would be . . . the American amendment. If the American delegate would be good enough to use the word "military" in place of the word "defense" for the reasons I gave before, I really think that this treaty should have teeth. But I think the people would be aware by the wording of the treaty that it has got teeth, and so, for myself and my country, I would not back away from the use of the word "military". Although this treaty, in the form that it may finally be accepted may not have a great deal of the military, I think that our country and public opinion of my country would look for some appreciable military phase of the treaty, in the verbiage of the treaty, I mean. So that on my part, I stand by that proposal of my own delegation, and secondarily for the American proposal, with the word "military and other planning" in place of "defense and other planning". But the amendment of the Philippines, Thailand, and Pakistan is for the inclusion in the existing Australian amendment of the word "economic".

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[12] The Marquess of Reading, Minister of State in the Foreign Office.

[13] Ellipsis in the source text.

On the economic side, I hope I am not wrong, there will not be what you might call overall economic aid decided by all the countries represented. All I would like to visualize is that there would be help under the Colombo plan as far as the Colombo plan makes that possible. In any event, on a bilateral basis, the United States, for instance, would discuss it with each individual country that needs aid. It would not serve by and large, as I imagine. We propose that a given sum of dollars should be applied to this area by the United States. The United States will discuss with Laos, Cambodia, Thailand, and other countries and agree with them what the United States can and would provide for that country by way of economic aid. Similarly, in the same degree, for my own country, we would expect to discuss bilaterally with each of the countries that would need economic assistance, discuss with them their needs and what we Australians could provide. In other words, I don't really believe that there is room or need for the prospective council to discuss economic aid in the broad. I think, on practical and technical grounds, the provision of economic aid would be between those countries that find themselves able to provide economic aid and each of the countries that would be in need of economic aid. So, I beg to regret that I find myself unable to support the amendment proposed by the delegates of the Philippines, Thailand and Pakistan.

The Delegate from Pakistan. Mr. Chairman, assuming for just a moment that we accept the reasoning that has been advanced by the foreign minister of Australia for not putting in economic aid, it would become necessary then to leave out "military and other. . . ."[14] Because if the plan is to cover the economic phase, the economic aspect still remains. But if that will be done bilaterally, then exclude all other aid, so that we may know what we are providing for.

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[14] Ellipsis in the source text.

The Delegate from New Zealand. Excepting the military objectives of this treaty, leaving the others to bilateral agreement.

Senator Delgado of the Philippines. In addition, Mr. Chairman, to what the foreign minister of Pakistan has said. These specifications of the objectives are necessarily qualified by the word preceding it as necessary. Then, there need not be any fear on the part of anyone of the economic aspect being taken advantage of by anyone for purposes of their own, because that is qualified necessarily by the preceding words "as may be necessary".

The Delegate from the United Kingdom. Mr. Chairman, in order to positively clear the ground a little further, may I say that as far as the amendment I propose is concerned, if the delegate from the United States would accept the addition of one word, I would be prepared to fall in with his amendment. In the draft, the Council shall provide for consultation. I suggest the insertion of the word "periodic" before consultation—"periodic consultation".

The Delegate from the United States. The United States delegation accepts the addition of the word "periodic".

The Chairman. The American formula now, as modified by the British delegate, will read: "The Council shall provide periodic consultation with regard to defense and other planning as required by the situation."

The Delegate from the United States. With regard to military and other planning, I think it is possible, in the light of what the Australian delegate said, that the United States is prepared to take any of the three words, either "military" or "defense" or "security". But it seems to me that the arguments put forward by the Australian delegate are rather persuasive in favor of the word "military", and I would, therefore, prefer that the American proposal be considered— "military"—rather than the word "defense". And in order to be sure that our suggestion is now fully before all the delegates, I would reread it: "The Council shall provide for periodic consultation with regard to military and other planning as required by the situation in the area."

The Delegate from Australia. That is acceptable to the Australian delegation.

The Chairman. So the choice is reduced now to two formulae—the United States-United Kingdom-Australian amendment which has just been read and the Philippine-Thai-Pakistan amendment which will read "military, economic and other objectives of the treaty." We have reduced the choice now between these two.

The Delegate from France. (*As translated.*) Mr. Chairman, may I suggest the acceptance of the United States text, as amended, by adding the word "any" before the words "other planning". Then it will read, "with regard to military and any other planning."

The Delegate from New Zealand. Mr. Chairman, I think that New Zealand would accept this amendment. It is rather too vague the last part of it, as required by the situation. Can we make that a little more definite which goes to say as required by the situation?

Delegate of the United Kingdom. Mr. Chairman, our delegation prefers to accept the amendment of the Delegate from France, but we object to the use of the words "many others". Just say one word "periodic". I am thinking the text of this treaty would be read by public opinion in various countries. All consultations, I think, must be periodic, but its nature will be continuous. If not continuous, it must be periodic. As I understand it, therefore, there is much to be gained by the use of the word "periodic". It is like—what shall I call it—I think that will be good for general public opinion, at least in my own country. I have no strong liking for the use of the word "periodic" in the text, but I think that if the word is omitted, the sense would be altered.

I should take it that the word "periodic" means at regular periodic intervals say of three months to be called by the Council and to be decided by the Council in the light of the situation. It is not absolutely rigid, but it means a reasonable degree of regularity.

Delegate of Australia. I have no objection to the comment of the Delegate of Great Britain.

The Chairman. Well, there are only two formulas now remaining.

Delegate of Australia. I would like to hear the Delegate of the United States if he has something better than "as required" which may seem to the Council well understood. I think it will require something like that. I do not know that may be misunderstood.

The Chairman. Well, we better have some more time to think to see if we could find a way of reconciling these two amendments. So, we will pass over that for the time being.

. . . . . .

396.1 MA/9–654: Telegram

The Secretary of State to the Department of State [1]

OFFICIAL USE ONLY MANILA, September 6, 1954—10 p.m.

Secto 12. Opening session SEA conference addressed by Magsaysay, all delegation chiefs.

Magsaysay asserted the Philippines ready stand up and be counted. Warned peaceful co-existence with Communism possible only if free world strong and vigilant.

All delegation heads stressed: Treaty purely defensive to deter aggression and need for economic development cooperation as well as military strength.

Casey, Australia, took view unimportant whether treaty language that of NATO or ANZUS. Believed either could be effective.[2] Opposed large and elaborate staff or secretariat.

Prince Wan of Thailand stated his Government favored inclusion Cambodia, Laos and Free Vietnam within treaty area, Philippines favor defense system with will and capacity to give immediate adequate and effective assistance to victim of aggression. Also consider recognition principal self-determination right to self-government for Asian peoples vital. Again advocated declaration of principle re self-determination Secretary's statement substantially as sent Secto 11.[3]

DULLES

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[1] Repeated for information to Bangkok, Karachi, New Delhi, Phnom Penh, Saigon, Tokyo, Vientiane, Canberra, Wellington, Paris, and London; repeated by pouch to Colombo, Djakarta, and Rangoon. Also repeated for information to CINCPAC via military channels; the Department of State was requested to pass it to the Department of Defense.

[2] According to the transcript of the First Plenary Session (see footnote 1, *supra*) Casey stated in part: "To be effective the Treaty must have substance as well as form. There has been a lot of what I personally regard as unreal discussion about a NATO type of Treaty as against an ANZUS type of Treaty. It is not, I believe, a matter of substance whether the Treaty language reads like NATO or reads like ANZUS. What matters is the purpose and attitude of mind of the signatories."

[3] This telegram from Manila, dated Sept. 5, included an advance text of the Secretary's remarks made at the opening session of the Conference. (396.1 MA/9–554) These remarks are printed in the Department of State *Bulletin*, Sept. 20, 1954, p. 391.

396.1 MA/9-654: Telegram

The Secretary of State to the Department of State [1]

SECRET MANILA, September 6, 1954—11 p.m.

Secto 13. Afternoon session commenced 2:30 p.m. and adopted proposal by Thailand to commence consideration with articles of draft treaty [2] before proceeding to preamble, non-controversial articles to be considered first.

Article I and VI approved without amendment. Article VII approved with change in wording as follows: First seven words deleted and following inserted immediately following "security of the area" in first sentence: "may by unanimous agreement of the parties be invited . . ."

Articles VII, IX and X were approved with "the Republic of the Philippines" inserted in the blanks which relate to the place of deposit of instruments of accession. Following acceptance of French proposal to replace "overcome" by "to counter" in Article II, decision taken to defer further discussion as UK being unwilling comment on term "mutual aid" in absence of final decision on Article III.

Articles IV and VIII which are interrelated not discussed.

In discussion of Article III French and Philippine proposals not broached at all. No final decision taken on Articles but general agreement was reached on omission of words "and with other free states" to which term Pakistan objects strenuously. General agreement exists on substance of article but there is considerable difference on wording. While several delegations extremely anxious not extend economic assistance to states not in treaty area even by implication other delegations insist that treaty must not in any way restrict member states from extending assistance to non-member states. It believed that approval of that article merely question of finding suitable terminology and does not present serious problem.

In Article V, original Australian proposal, "the Council shall set up such subsidiary machinery as may be necessary to achieve the military and other objectives of the treaty" amended by Pakistan, Thailand and Philippines to insert word "economic" following "military". US suggested a text to replace Australian reading: "The Council shall provide for consultation with regard to military and other planning as required by the situation in the area". This generally acceptable with discussion of possible minor amendments to UK, France, Australia and New Zealand but not other three delegations. Discussion this article postponed to next meeting.

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[1] Repeated for information to Bangkok, Karachi, New Delhi, Saigon, Tokyo, Canberra, Wellington, London, and Paris; repeated by pouch to Colombo, Djakarta, Phnom Penh, Rangoon, and Vientiane. Also repeated for information to CINCPAC via military channels; the Department was requested to pass it to the Department of Defense.

[2] See telegram Secto 9 dated Sept. 4, p. 839.

Meeting adjourned at 5 o'clock until 9:30 a.m., September 7, 1954. Noncommittal communiqué prepared for press.

DULLES

Conference files, lot 60 D 627, CF 356

Verbatim Proceedings of the Third Plenary Session, Manila Conference

TOP SECRET MANILA, September 7, 1954—9:40 a.m.

Document No. III

At 9:40 a.m., the Chairman called the Conference to order.

The Chairman. The Conference called to order.

The Secretary [1] has some announcements to make.

[Here follow certain procedural announcements.]

The Chairman. We now go back to Article III where we left off yesterday. As you will remember, there were several amendments proposed.

The Delegate of the United States. Mr. Chairman.

The Chairman. The Delegate of the United States.

The Delegate of the United States. I propose that Article III should read as follows: "The Parties undertake to strengthen their free institutions and to cooperate with one another in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being and to further the individual and collective efforts of governments toward this end."

The Chairman. May I ask the Delegate of the United States. . . .[2]

The Delegate of the United States. I would send that to the Secretary General so he will have the text.

The Chairman. Will the Secretary General read that proposal?

The Secretary General. (*Reading.*) Proposal of the United States to Article III: "The Parties undertake to strengthen their free institutions and to cooperate with one another in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being and to further the individual and collective efforts of governments toward this end."

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[1] The Secretary General of the Conference was Raul S. Manglapus, Under Secretary of Foreign Affairs of the Philippines.

[2] All ellipses in this document are in the source text.

The Chairman. Did everybody get that now?

We would like to have your comments on this proposal.

The Delegate of the United Kingdom. Mr. Chairman, as far as we are concerned, we are very content to accept the United States' proposal and in doing so, may I add that if that is adopted, it prevents any query that we might otherwise have had on Article II. You will remember that we made a reservation on Article II until Article III has been discussed.[3] if this proposal is adopted, I have nothing more to say on Article II.

The Delegate of the Philippines. The Philippine Delegation feels that this proposal of the United States meets our point of view.

The Delegate of Thailand. Mr. Chairman, the Delegation of Thailand accepts the United States' proposal.

The Delegate of Australia. The Australian Delegation accepts the proposal, but I would like to query whether the word is "government," or "governments," with an "s".

The Chairman. It is in the plural.

The Delegate of Australia. I imagine it to be that way. Is that the proposal of the United States.

The Chairman. It is in the plural.

The Delegate of New Zealand. It is acceptable to New Zealand, Mr. Chairman.

The Chairman. What does the Delegate of New Zealand say about that?

The Delegate of New Zealand. We accept.

The Chairman. France?

The Delegate of France.[4] Mr. Chairman, after the Geneva Agreement which, as I said yesterday, enabled us to stop the long suffering in Indo-China and to substitute for it a new system or classification, one of the main concerns of the French Government now, and a fundamental one, is to make Vietnam, Laos and Cambodia eligible in respect of the advantages to be derived from the present Treaty. These advantages are the economic measures as provided in Article III or the guarantees of security which we find in Article IV. I do not doubt that the Conference shares this view, otherwise, how could we contend that we desire to maintain peace and insure the security and prosperity of Asia and of the Southeast of which these three states are an integral part, and of which, unfortunately, they represent the most exposed area. But all of these advantages, sir, may be obtained in two ways: the first as suggested, and the other by the designation of the free states embodied in the Treaty as it was provided for in the present draft, or by mentioning them in some other way outside of the very text of the Treaty.

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[3] During discussion of Article II at the Second Plenary Session, Lord Reading had stated: "We have raised a point on the use of the phrase 'mutual aid' in Article II. The purpose of this section [of Article II] depends rather on the ultimate form of Article III, and, therefore, I don't want to discuss it at this moment." (Verbatim transcript of Second Plenary Session, Sept. 6. For other extracts from this transcript, see p. 852.)

[4] The following passage may be a translation of La Chambre's remarks.

The first solution is an interesting one and that is that it seems to the French Government that it would carry certain advantage [*disadvantage*?], namely, to have a text the duration of which is indefinite but refers to a situation which we hope is temporary only. That is why my Government would prefer another procedure. The second formula, which we would suggest, would offer the possibility of applying one provision of Article IV: "Upon designation by unanimous agreement of the parties, of certain States or territory," and, therefore, it would enable the parties to proceed with the designation right now with respect to Laos, Cambodia and Vietnam. This designation would be embodied in a separate protocol which would be an integral part of the Treaty, and its effect would be to extend the purposes of Article IV as well as Article III. This procedure would have a further advantage of preserving Article III as we all wish and at the same time to have other States included as parties to the Treaty in accordance with the provisions of Article VII. We must hope indeed that the development of events would enable those states to accede fully to the Treaty, and I would prefer to accept it myself provided the Conference would accept in principle the system of protocol which I now advocate.

The Chairman. I have one announcement to make. Due to certain deficiencies in our radio service, the Chair requests that the Delegates speak only after they have been recognized by the Chair to allow time for the switching of the loud speaker. The radio technician has certain difficulties.

Anybody would like to comment on what has been said here by the French Delegate?

Delegate from the United Kingdom. Mr. Chairman, I do accept the suggestion of the Delegate of France, but it seems to me that the right way of handling the matter, the second suggestion, is that it should be done by way of protocol. There is only one point that I would like to get clear from the Delegate of France. He spoke of preferring the protocol to be an integral part of the Treaty. What would happen would be that the protocol would be drawn up and signed by the Parties at the time when the Treaty is signed, but will come into effect, presumably, only upon ratification of the Treaty because the system of designation is a system which has not been established by the Treaty, and, therefore, [is] inoperative until the Treaty itself is ratified.

The Chairman. All right. Are you now ready to agree on Article III, with this understanding, that it might be reopened in connection with the discussion of Article IV?

The Delegate of Australia. Can we presume that Article II is generally accepted with the inclusion of the words "mutual aid"?

The Chairman. We will submit that now. So that is declared approved—Article III, subject to the understanding that it may be reopened in connection with Article IV. Now we will consider Article II. There was an announcement made . . . .

The Delegate of the United States. Do we understand also that Article II is now approved?

The Chairman. Not yet. I am submitting this now. Now we are going back to Article II. There has been an announcement made here by the British delegate that he is withdrawing his reservation on Article II in view of the final amendments approved on Article III. Now, are we ready to approve that? (After a pause) I hear no more objections, so the Chair declares Article II approved. Now, we will go to Article IV.

The Delegate of Thailand. Mr. Chairman, can we take up Article V first because an agreement is now possible on Article V?

The Chairman. I think the suggestion is good. I think there are a few controversial points in this Article V. I therefore withdraw my announcement and we will now proceed to discuss first Article V.

The Delegate of Australia. Sir, I would like to suggest to the delegates that Article V read now as follows:

"The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council shall provide for periodic consultation with regard to military and any other planning as the situation obtaining in the area may from time to time require. The Council is empowered to arrange with the states not parties to the Treaty for cooperation in giving effect to any of the provisions of the Treaty. The Council shall be so organized as to be able to meet at any time."

In the text I have in brackets the word "periodic" and the word "regular" as alternative words. But I am suggesting with respect to the delegates that we accept the word "periodic" in the fourth line.

The Delegate of Thailand. Mr. Chairman, I would prefer the word "regular"—shall provide for "regular" consultation. Because obviously "consultation" involves some preparatory work and preliminary study. The term "periodic consultation" seems to me not to have that implication or connotation, while the term "regular consultation" will meet the case very well because that means periodic, but at the same time any preparatory work or preliminary study that has to be done should also be done.

The Delegate of Australia. Sir, personally I have no objection to the word "regular". After talking to a few friends. I gather that "periodic" would probably be more acceptable than the word "regular". Myself, I have very little choice between the two words.

The Delegate of the Philippines. Mr. Chairman, if I am not mistaken, the United Nations Charter provides for periodic consultation of the foreign ministers of the member nations and yet as far as I am informed there has never been any such meeting, obviously, because they regard the word "periodic" as rather vague and indefinite. We therefore support the word "regular" because it might be more emphatic and mandatory in order to get together in any matter that might be the subject of consultation.

The Delegate of Pakistan. Mr. Chairman, the language of the amendment now proposed is, "The Council shall provide . . ." There is an obligation on the Council to make provisions for consultation; even if you have the word "periodic" or "regular", still it is [for?] the Council to interpret that expression. "Periodic" might mean from time to time; it might mean stated intervals. But it is the Council that will provide. In all respect, both words are redundant. Neither is needed. The purpose will be served by leaving them both out.

The Delegate of Thailand. Mr. Chairman, of course, I would accept that "consultation" with neither the word "periodic" nor "regular". I stated my position the other day and even now I am ready to accept that word "consultation"—"To provide for consultation." I have no objection to the word "periodic", still I prefer the word "regular" to the word "periodic".

The Delegate of the United States. Mr. Chairman, I think that under the suggestion just made by the Honorable Delegate of Thailand, which is to provide for consultation and the Council can have it as such if it wants, it becomes compulsory to have consultation, because the Council shall provide. And we get away from the duty which seems to surround the use of the word "periodic" or "regular". I don't think it is a matter of great moment because in any event the Council will make its decision. But I do see the interpretation of these qualifying words. Therefore, it may be best to follow the idea of the Thai Delegate and just drop out the word "periodic" or "regular" and simply say, "The Council shall provide for consultation."

The Delegate of the United Kingdom. Mr. Chairman, I think I was responsible for introducing the word "periodic" into this discussion, and the remarks which have been made on the word "regular" seem to indicate that both words are capable of interpretation . . .

Delegate of France. (*Translation from French into English*) Mr. Chairman, I fully agree to the interpretation given by the head of the British Delegation. To clarify the debate, may I read out the suggested text of protocol:

"The Parties to this Treaty unanimously designate, for the purposes of Article IV of the Treaty, the States of Cambodia, Laos and the free territory under the jurisdiction of the State of Vietnam. The Parties further agree that the above mentioned States and territory shall be eligible in respect of the economic measures contemplated in Article III." The text will be passed on and circulated.

The Chairman. Are we now ready to approve Article III?

Delegate of the United States. I gathered that from what has been said that we could, regarding Article III if adopted, reserve the right to reopen it if there should not be a satisfactory solution of the matter to which the Delegation has referred to.

The Chairman. Then, we could pass on to Article IV to which the French proposal referred.

The Delegate from U.S. But the wordings and the text of the protocol would be a subject to further study by all the Delegations and further discussion in conjunction with Article IV.

The Chairman. All right. Are you now ready to agree on Article III with the understanding that it might be . . . .

Delegate of United Kingdom. I am therefore inclined to point the right solution is to omit any objective and merely retain the word "consultation", seeing that it is mandatory on the Council to call for consultation that any situation requires.

Delegate of Australia. As the Pakistan Delegate said it is understandable but it is only to people with logical minds. My purpose is to put this in what you might say, "public relations" words. However, on the part of my Delegation, I am quite content to omit both words.

The Chairman. Any more remarks?

Delegate of New Zealand. I don't think there will be any difference. It will be for the Council to decide how periodic or how regular the meetings should be. I just want to know if it would be better to make consultations with the member countries.

Delegate of the Philippines. Our remark about the word "regular" is premised on the proposition that a choice is to be made. If both words are eliminated, we would be perfectly satisfied.

The Chairman. Well, are we ready to adopt this article, as amended, and again amended by the United States by omitting the words "periodic" and "regular" so it will read: "The Council shall provide for consultation, etc. Are we ready to approve this now?

Delegate of United Kingdom. There is one point which occurs to me and that is on the expression, "the Council is empowered to arrange with the States not parties to the treaty for their cooperation in giving effect to the provisions of the treaty," whether there is any danger in that sentence of getting into a position in which we are contemplating a bridge on the arrangement made in connection with Laos and Cambodia relative to the Geneva Agreement. Those two countries are in a rather special position; they made certain declarations defining that in the Articles of the Geneva Agreement. This can look as if it was a violation of their undertaking.

The Chairman. Do you have any change there that you would suggest?

Delegate of Pakistan. In the meantime, may I inquire, Sir, whether the suggestion made by the Foreign Minister of New Zealand is accepted, that the word "consultation" shall be on the floor. I understood him to make that suggestion.

The Chairman. As far as the Chair is concerned, I think it does not make any difference whether it is or is not in the plural. This is a collective word which might well denote plurality. I think that it is all right, as it is.

Delegate of New Zealand. My idea is if you put it in the plural, especially in view of what the Delegate of the Philippines said that the provisions in the United Nations Charter provide for consultations if we put it in the plural, we are just giving emphasis, but if we don't put it in the plural, that is all there. But what strikes me is that it should provide for periodic or regular consultation and that is where the word should be eliminated. It might just give a little emphasis to the view expressed by the Delegates here that consultation should take place more than once in a lifetime, which to put it that way is to exaggerate.

The Chairman. If you are going to place that, I will ask for comment.

The Delegate of United Kingdom. Mr. Chairman, we do not interpret it that way. I see the point made by the New Zealand Delegation suggesting that putting it in the plural does not strengthen the situation. What is important is to get a general idea of consultation between the various parties, and if you prescribe it in the plural form, it merely provides some form of specific consultation and it is better to keep it in the wider sense.

Delegate of Thailand. Mr. Chairman, I agree with the Delegation of the United Kingdom because if you say "provide for consultation," it may mean some consultation, whereas if you say "shall provide for consultation," it means a process of consultations and I think that reinforces the idea or the principle that there shall be consultation.

The Chairman. If we put in the word "periodic" or "regular", I think the plural form is more proper, but since we have abandoned those two words, I would ask the New Zealand Delegate that we take the text as it is. Now, there was some question of the Delegation of the United Kingdom here.

Delegate of United Kingdom. There is a question I raised about Cambodia. If you agree with this point whether we do it rightly or wrongly, I wonder if you would be good enough not to conclude the discussion of this article at the moment to give opportunity to discuss this a little further because it might, I think, have serious implications.

The Chairman. Do you think we can approve this, subject to opening at any time at the Delegations' request?

Delegate of Australia. I suggest that if we disagree on this article, we just leave the last part for discussion later, as from time to time required.

The Chairman. No question then. Do I take it now you approve this Article V subject to that understanding of reopening it?

Delegate of U.S. Mr. Chairman, if there is any question anybody wants to ask, we just take it out. The Council can always do it, and you do not need to say so. The Council acting on unanimous action can always decide to cooperate with somebody else and I don't think there is need for it to be said. As far as I am concerned, take it out.

The Chairman. The Delegate of Pakistan.

The Delegate of Pakistan. Mr. Chairman, may I suggest that perhaps the best way to proceed at the moment would be to leave the sentence out as suggested by the Delegate of the United States, subject to any substitution or anything that may be proposed later, otherwise if no further proposal comes, the article should be adopted, leaving the sentence out.

The Chairman. The Delegate of Australia.

The Delegate of Australia. There is one point here raised by the United States Delegate. I understand that the text of this article in its original form has become public knowledge. There might be some criticism, something sinister might be said about the fact, if we omit that. I think there is just the point in that.

The Chairman. The Delegate of Pakistan.

The Delegate of Pakistan. Mr. Chairman, it will also get known although we omit that. The council would have the power to do so in any case, and therefore it is not necessary if the substance becomes known. By whatever means, it will become known also.

The Chairman. The Delegate of the United Kingdom.

The Delegate of the United Kingdom. Mr. Chairman, I only wanted to say that if this sentence is omitted, we should not propose any word in substitution for it, and as far as we are concerned, the article could go forward, and if I may say to the Australian delegation, I don't think that. This fact that unfortunately the text will become public can regulate our consideration of what is the right attitude and the right wording of the treaty. We must deal only on the actual text before us and not take into account the external circumstances; but if the sentence were to go out, I would be prepared to withdraw that suggestion that this article should be held up for further consideration.

The Chairman. The Delegate of Thailand.

The Delegate of Thailand. Mr. Chairman, from the point of view of the Thai delegation, we would like to have the substance in here or somewhere else in some form. I think the frightening words are the words "is impowered to", and certainly, if it is kept anywhere, I will propose an amendment to say that the Council "may arrange", because as the Delegate of the United States rightly pointed out, the Council can in any case do so already. Now it may be that even with that amendment, the Delegate of the United Kingdom would still reserve his position and therefore I am in favor of deleting this sentence or provision here from Article V. But could we have some statement in the official record, because we agreed that official records of the conference would be kept on the questions on which agreement is reached, and if the statement of the Delegate of the United States or words to that effect could be put in the official record, I would be satisfied.

The Chairman. The Delegate of New Zealand.

Delegate of New Zealand. Mr. Chairman, I think that the suggestion deferring this for further consideration is desirable. In one draft that we received, the provision invoking the cooperation of other states was limited to the provisions of Article III, and I think it was the United Kingdom Representative who suggested enlarging it to take in the other provisions of the treaty. But in the original draft it said; "for cooperation in giving the effect to the provisions of Article III," which deals with economic cooperation.

The Chairman. The Delegate of Pakistan.

Delegate of Pakistan. Mr. Chairman, the observations just made by the Foreign Minister of New Zealand were to support the suggestion that the sentence had become redundant as a consequence of the amendment of Article III.

The Chairman. The Delegate of France.

Delegate of France. (*Translated*) Mr. Chairman, I listened with interest to the remarks made by the United Kingdom Delegate on the possible conflict between the substance agreed in the Geneva Agreement and this Article V because it covered a number of states, parties to the Geneva Agreement. In accordance with the

French proposal, Vietnam and the other Indochinese states should be eligible for the benefits of the treaty, and therefore the situation is being defined with regard to vis-à-vis the treaty. With reference to Articles III and IV mentioned in the draft but not in reference to Article V, I do not think that any confusion will be held on the subject, and therefore the French Delegation would like your views on the matter as to whether the sentence should be deleted or maintained. We would rather leave it to the majority of this Committee.

The Chairman. Any more remarks on this question? If I may be permitted to remind, if the theory that this council has inherent power to make the arrangement with some member states for cooperation, then I believe that putting in the word "may" there instead of "is impowered" takes the nature of a suggestion to the council that it could have the power when as a matter of fact it has already that power to make arrangement for cooperation. So I believe that the suggestion of the delegate of Thailand may perhaps be again looked into as a good suggestion, on the premise that the council has already this power.

The Delegate of the United Kingdom. Mr. Chairman, I get it from the discussion that this part of the article is unnecessary, but I am afraid that the suggestion made does not really meet my point at all. It still leaves the question as disturbing, and I would like to make clear how we would like to meet it. If with respect to that, if that sentence should go out, I am prepared to accept the article as it now stands; if the sentence is to be retained, then I would like the article to be left for further discussion until we get more fully into it.

The Chairman. At any rate, we are now in the area of discussing controversial articles. None of the non-controversial is left. If we go to the controversial ones, we would just be shifting from one controversial question to another. We might just as well finish with this. I think there is little left there.

The Delegate of Pakistan. Mr. Chairman, let us look into what the original object of this sentence was. The original object in the draft which was the basis of the discussion before the working body was to provide for a council to secure full cooperation in giving effect to Article III of the treaty, that is to say, the economic provision. In its Article III, it specifically provides for cooperation between states members of this treaty and also other states. Now, the sentence was as it is now in this draft. In the meantime, in conference, Article III has been amended so as to read that so far as the operation of this treaty is concerned, without affecting any economic cooperation or otherwise along lines which we have already adopted, or may hereafter be adopted so far as this treaty is concerned, the economic provision shall be confined to the parties to the treaty, subject to the suggestion that has been made with regard to the protocol. Therefore, there in the original draft, this sentence would have become null, not only unnecessary, but it would have become redundant, but merely because in the working party, instead of specific reference to Article III, a reference to all provisions was made. Let us consider what is really necessary to retain cooperation. It is not expected that the council, however mighty it might be, would be able to obtain cooperation in the military clause of the treaty from states who are not parties to the treaty. That gives us only the economic clause. In the economic clause, we have so amended the treaty as to confine the benefits to the parties to the treaty and, possibly, to the designated areas. What object will this sentence now serve? What is the cooperation that anybody visualizes that the council shall be able to get with regard to military planning and with regard to economic planning?

Senator Delgado from the Philippines. Mr. Chairman, we really have no strong feeling in this matter, but for the sake of gaining time, it seems to us that the best thing to do is to leave out that sentence and to have this article deemed approved and, by doing that we save time.

The Delegate of Thailand. Mr. Chairman, in view of the explanation of the delegate of Pakistan, which I consider quite sound, I now agree to the deletion of this sentence.

The Chairman. Are you now ready to give your assent to the approval of this Article, subject to the same understanding that it might be reopened later on if it is involved in other articles? (*After a pause.*) With the deletion, I think we might give to it a final approval. Are you agreeable now to approve this article with that part deleted?

The Delegate of Australia. Unfortunately, for me, I am in the presence of many distinguished lawyers, but I just like to be assured that a layman in this matter may understand that if we omit that second to the last sentence, are we quite certain that the council has power to cooperate with the states that are not parties to the treaty? What gives the council that power? I would just like to be sure that the council has the power because this sentence is quite important. To me, there is no doubt that we can do what we please, subject to the agreement and cooperation with Cambodia, Viet Nam and Laos.

The Delegate of Pakistan. Mr. Chairman, if I might venture an explanation, so far as I am concerned, and I am only speaking for myself, it is obvious that the council could not do what the parties to the treaty under the treaty could not do. That is clear.

Next, we take the powers of the council generally. The opening sentence of the article says, "The parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty." Whatever the treaty provides with regard to the implementation of the treaty, the Council may take action whether there is any specific mention of one aspect or another aspect or not. That, I venture to submit, is my reaction to the question put forth by the foreign minister from Australia.

The Chairman. Is that satisfactory now, Mr. Casey?

The Delegate of Australia. Yes, I am prepared to stand by the comment made by the chief delegate of Pakistan for as he says, it is inherent in the powers of the council, but I thought that it might be important to volunteer some specific expression. But if the distinguished lawyers among my colleagues are of the opinion that the powers are inherent, then I say no more, sir.

The Chairman. Personally, I believe that the first sentence includes this power of arranging cooperation among the states. I believe that the interpretation of the Pakistan representative who, I understand, is an eminent lawyer and jurist, is an interpretation acceptable to the delegates. Are we now going to vote for the approval of Article V with the deletion of that sentence? (*After a pause.*) I don't hear any objection. So that the Chair declares that Article V is approved with the deletion . . . .

The Chairman. So the Chair declares that Article V is approved with the deletion of the following sentence: "The Council is empowered to arrange with states not parties to the Treaty for cooperation in giving effect to any of the provisions of the Treaty."

Suppose we pass on to Article VIII dealing on the Treaty area. It might perhaps be less controversial than the others. We would like to hear from the Delegate of the United Kingdom.

The Delegate of the United Kingdom. Mr. Chairman,

do I understand you to say that we are going to Article VIII now?

The Chairman. Yes.

The Delegate of the United Kingdom. May I respectfully suggest that Article VIII is so closely tied to Article IV that we must deal with Article IV before we pass to Article VIII? The definition of the area goes very closely with Article IV.

The Chairman. We have with the exception of the preamble and the declaration of principles, only two more articles to discuss—IV and VIII—so I think the suggestion of the Delegate of the United Kingdom is well taken. Since Article VIII is closely related to Article IV, we might now deal with Article IV.

I would like to hear remarks on this highly controversial article.

The Delegate of the United States. Mr. Chairman, you referred to this article as controversial; and it is so. In fact, the controversial character of this article comes from the fact that the United States has proposed with some vigor in the working group party that it should be related to communist aggression, that is, [5] to aggression generally. The United States recognizes that its situation in relation to this area is somewhat different from that of the other prospective members of the Treaty in that, as I pointed out in my opening remarks yesterday, the United States is the only one of the countries here which does not itself have a direct territorial concern in the area. Under those circumstances, it is not possible for the United States to say that any aggression occurring anywhere in this area is something which would endanger the peace and safety of the United States. Others might be able to say that, the United States cannot honestly say so. We can honestly say that communist aggression in this area endangers the peace and safety of the United States because we believe that the clutches of communism are such that whenever they increase their power and strength, that is an increase of power and strength which may ultimately be used against the United States. Therefore, the United States Delegation, the plenary Delegates of which include not only myself but Senator Smith and Senator Mansfield who represent as much authority as the two parties in the United States Senate in relation to this matter, we cannot say to take back to the Senate for advocation a statement that any controversy in this area affects the peace and safety of the United States. We can say it in relation to communist aggression because we believe that that aggression has world-wide implications. Now, recognizing as I do that the position of the United States is different because of its lack of any direct territorial position in the area, and in an effort to accommodate ourselves to the views of others, the United States is prepared to accept the deletion from Article IV of the word "Communist" on the understanding that the United States will incorporate a declaration on its part to this effect, at the time of its signature, and I would read the proposed declaration: "the Delegation of the United States of America in signing the present Treaty does so with the understanding that its recognition of the effect of aggression and armed attack and its agreement with reference thereto in Article IV, paragraph 1, apply only to Communist aggression but affirms that in the event of other aggression or armed attack it will consult under the provisions of Article IV, paragraph 2."

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[5] On the source text, the typed words "that is," have been crossed out and replaced with the words "rather than" in an unidentified handwriting.

I think there are available texts of this understanding on which the United States is prepared to sign the Treaty on the assumption that the other countries prefer to eliminate the word "Communist" from Article IV.

The Chairman. Any other remarks? Any other views on this article?

The Delegate of the Philippines. The amendment that the Philippine Delegation has proposed to this article is so important, in its opinion, and at the same time, the Philippine Delegation is regardful of the importance attached to the language of this article and the other amendments that have been proposed by other delegations, that it seems that we must ask the indulgence of the Conference to have a recess of ten minutes so that the Philippine Delegation may consult among themselves. After all, it is almost eleven o'clock, and we have been meeting for about an hour and have approved two controversial articles, which, I think, is a good record for an hour, I therefore suggest we take a recess for ten minutes.

Delegate from Pakistan. I realize that it would be necessary and also very useful if an opportunity were afforded for the consideration of the observation made in the draft circulated by the Secretary of State of the United States with respect to the subject. But if sometime would be made available to us in the rest of the morning, if that would be feasible, to get Article VIII out of the way, and meet again in the afternoon after having considered the consequences that might flow from the view expressed by the United States Delegation. . . .

Delegate from the United States. Mr. Chairman, lest I might be misunderstood, the Honorable Delegate did not propose adjournment until this afternoon, but only a recess of ten minutes. I wonder if that suggestion for a recess for ten minutes might not be useful also to make available the protocol which the French Delegation, I understand, proposes in this connection so that the Delegates would consider both things.

Delegate of the United Kingdom. As I said, Article IV and Article VIII are very closely related to each other and if we are adjourning we have a suggestion for a redraft of Article VIII to be prepared immediately on the basis that the Conference accepts the suggestion introduced by the Delegate of the United States. It would be convenient if we could also circulate it so that we could consider that during the interval.

The Chairman. Then we would have to prolong the recess to about one-half hour.

The session is suspended for thirty minutes to resume at eleven thirty.

Resumption of the Session

The Chairman. The session is resumed.

Now we are going to discuss Article IV and the Chair is waiting for remarks.

The Delegate of the Philippines. Mr. Chairman.

The Chairman. The Delegate of the Philippines.

The Delegate of the Philippines. The Philippine Delegation, in its opening remarks, has made its stand on this article very clear. I believe that the stand of the Philippines may well be epitomized with: "One for all and all for one." We feel that those of us who are, so to speak, or are likely to be, in the frontline in case of war, as shown in past experiences, must insist that when we are attacked, that attack shall be repelled by all and instantly, because, during these times when the atomic and hydrogen bombs and other weapons of that type will be likely used and, if we are to depend on constitutional processes, we may all be wiped out in this Archipelago before action is taken. Of course, we realize that, by the statement of the Honorable Secretary of State in connection with the bilateral treaty between the Philippines and the United States, we at least can depend on the United States for immediate and automatic action—but it is because we feel that what is good for us should also be good for the others, it is because we do not want to appear as safeguarding only our interests but that we are trying to safeguard the interests of all those in this area placed in the same situation as we are, that we feel we must insist on the type of the NATO Treaty for this Article IV. This is our position. It has been made clear in our opening statement and we feel that all the Honorable Delegates to this Conference are perfectly aware of our position. However, it may be well to ask the Secretary General to read the text of our proposed amendment to this Article IV as a reminder to the Honorable Delegates of the other nations.

The Secretary General. (*Reading.*) "The Philippine Delegation proposes the substitution of the following language to Article IV: 'The Parties agree that an armed attack against one or more of them in Southeast Asia or Southwest Pacific shall be considered an attack against them all and, consequently, they agree that if such an armed attack occurs, each of them, in the exercise of their right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and collectively with the other Parties, such actions as it deems necessary, including the use of armed force to restore and maintain the security of the Southeast and Southwest Pacific area.' "

The Delegate of Pakistan. Mr. Chairman, I beg to submit that, before discussion proceeds on the amendment proposed by the Philippine Delegation, perhaps we might agree, whatever our views are on the merits of the amendment, that in the second line of the proposed amendment, the following substitution shall be placed for the words "Southeast Asia or Southwest Pacific", the words "Treaty area" should be placed. And in the last line for the words "Southeast Asia or Southwest Pacific" the words "Treaty area" shall be placed.

Delegate from the Philippines. The Philippine Delegation gladly accepts the proposed amendment to the amendment.

Delegate from the United States. Mr. Chairman, the amendment submitted by the Philippine Delegation raises the issues which have been, I think, magnified by misunderstanding, namely, the question of whether we should use here the so-called NATO formula or the so-called ANZUS foreign treaty formula. And the United States proposes the latter because of the fact that the former formula, the one obtained in the NATO, gives rise to constitutional debate in the United States Senate which we do not want to repeat particularly because the issue is quite unimportant from the standpoint of the other parties in the Treaty, but which may assume importance within the United States because of its historical background.

But in fact I believe that the form which is proposed here by the United States gives adequate protection to our associates in the Treaty to the extent that it is possible to do so by and under the Constitution of the United States. It is not, I believe, the thought of any one of us that we intend by this Treaty to abolish any avowed right in our Constitutions. The Treaty is made subject and in pursuance to constitutional processes. The fact is that we operate as sovereign and independent nations, and I do not think it is practical to be sovereign and independent nations for one purpose and at the same time abolish any of the distinctions between our countries which exist by reason of the fact that we do operate as sovereign and independent nations under our distinctive constitutions. We can, if it is sought to be desirable, merge all our countries into a single country, and in that way it automatically follows that an attack upon a country would be an attack upon all the other countries. Nevertheless, to produce that result, in fact, in the making of an independent sovereignty under the development of each of us as sovereign and independent nations—so long as that is the case, I think that we must recognize that there is some difference at least between an attack upon our nation and an attack on other nations, although because of the recognized interdependence which is created by a common threat, we are prepared to go very far in minimizing that difference and insuring the maximum possible degree of protection. Now, it seems we develop an illusion that under the NATO Treaty, the United States is bound to do automatic action by the phrase "an attack upon one is an attack upon all." That is not the case at all.

That Treaty goes on to provide that we shall act under the Treaty in accordance with constitutional processes. I will read to you, if I may, the unanimous report of the Senate Foreign Relations Committee. It says: During the hearings substantially the following questions were raised in view of the provisions of Article V: "An attack against one shall be considered an attack against all." "Would the United States be obligated to react to an attack upon Copenhagen in the same way as an attack upon the city of New York?" In such event as an attack outside the United States would occur, would the United States react without making an absolute treaty? The answer to both of these questions is, No. An armed attack upon any State of the United States by its very nature would require immediate application of the resources of the nation. As to what action is necessary in the event of an attack outside the United States would of course require congressional sanction. So, Mr. Chairman, that is the authority and interpretation of the so-called NATO formula adopted by the Senate of the United States, and I think I speak with some personal knowledge of that because I was at that time a United States Senator and took part in the debate on the ratification of the North Atlantic Treaty Organization, because of the fact that that formula raised doubts which the Senate Foreign Relations Committee tried to settle by its report, and because some of the Senators were not satisfied with the validity of the report, there was very considerable debate, and if I may say, it is unwise to adopt from our standpoint a formula which would reopen that debate with consequences which no one can predict, when in fact the result which we all want can equally be achieved in my opinion by the formula proposed here which was acceptable to the Senate generally in the course of the North Atlantic Treaty debate at which time Senator Taft who was in the opposition said that he would have been entirely happy had this other formula been used.

Since then, the United States in treaties in all of which I had some parts in negotiating—the treaty with the Philippine Republic, the treaty with Australia and New Zealand, the treaty with Korea—have used this language which is derived from and is a quotation from the statement made by President Monroe when he announced some 138 years ago the so-called Monroe Doctrine, which was, that an attack or an invasion upon the Americas would be a threat to the peace and security of the United States, which we could not look upon with indifference. So that, Mr. Chairman, is the outstanding foreign policy declaration of the United States which has been carried and revered by our nation for 138 years, which has been effective, which has not been challenged. And today when we propose to repeat that language, we are proposing a formula which in the light of history is a formula which we believe is adapted to the needs of the situation and will effectively assure it insofar as it is compatible with our constitutional processes. To say that an attack elsewhere is a threat to the peace and security of the United States is to say that action is necessary. The consequences of that action under our constitutional processes are the responsibility of the President and the Congress.

In the event that the safety of the United States is imperiled, the President is empowered to act without regard to Congress, if the situation so requires. As you all know the declaration of war power resides only in Congress, and of course that power cannot in fact be prosecuted without the active support of Congress in the appropriation of the necessary funds. I wish to assure all of you gentlemen here that the formula proposed by the United States is not a weak formula; it is a strong formula. I do not know where the illusion develops that the NATO formula was somewhat stronger. In view of certain developments going on in Europe at the present time, I think it may be quite possible that it may prove that this formula, which is a different formula, which we use, and which we derive from President Monroe, may be a formula certainly as effective as that we used in the North Atlantic Treaty where developments are occurring which may result in the North Atlantic Treaty formula seeming not superior as in some minds it seems to be. In fact, I believe this formula proposed here is a sound one; it is understood by the American people throughout the many years of their history; it is the revered, honored, and known formula. And in proposing it here, Mr. Chairman, I am proposing that the United States should do the best it can to make clear its intention that the constitutional processes have to be implemented. But insofar as we can do so, to make it clear, in the event of a renewal of communist aggression in this area, and the United States' peace and security is involved, it would act to meet the peril.

The Delegate of Thailand. Mr. Chairman, Thailand, as stated in my opening speech, is now exposed to the danger of communist aggression and subversion. The government and people of my country therefore insist to have a strong pact as is possible. Now that applies primarily to the substance of the pact. But the question of wording is also very important from the psychological point of view insofar as the Republic and the people are concerned. It may be viewed to some understanding, some popular understanding, but to the people of my country NATO seems to be understood by them to be the model of a strong pact. And that is why in behalf of my delegation I wholeheartedly support the proposal of the Philippines. I would like to share the views of some other delegations. It will be noticed that the Thai delegation has submitted an amendment to the working group which also figures in the document now before us. Our proposal is to try as possible our best to get the NATO type of treaty. And so I will deal with our own amendment at a later stage when perhaps other delegates may now wish to state their views on the Philippine proposal.

The Delegate of Australia. Mr. Chairman, I listened with the greatest attention to what Mr. Dulles has just said. In this Conference we give a great deal of thought to this matter. We in Australia are not against the NATO type treaty but we do not believe that the other formula gives a greater degree of protection to any one in times of trouble than that contained in the ANZUS type of treaty and the American-Philippine type of bilateral treaty. Each of these treaties in certain different articles contains the phrase, "in accordance with their constitutional processes." As I understand Mr. Dulles' observation, that does not mean that in every circumstance the President is obliged to consult and take the view of Congress. As I understand it, that depends on the intensity, the reality, the immediacy of the aggression that is suffered. As I understand it, if the aggression is sudden and complete, and undaunted, then the President is free to invoke this treaty and do the things under it that would have been done. But in some cases that are less clear, the President is obliged to take the matter to Congress. So I am prepared, in behalf of the Australian delegation, to accept *in toto,* if I may say so, what the American Secretary of State has said, and we do not propose to press for any amendment to this Article IV, which would, in the minds of some of us, appear to give us greater and immediate protection.

The Chairman. Just a question to Australia. The Draft as submitted from the Working Committee contains the words "communist aggression", did I understand that when you said "*in toto*" it includes all as reported by the Working Committee?

Delegate of Australia. No, sir, I would be more precise in that we don't believe the word "communist" should appear in the first line, for reasons commonly shared by a number of delegates that the word "communist" in Article IV is disagreeable to our delegation.

The Chairman. Any further remarks?

Delegate of United Kingdom. Mr. Chairman, we have originally suggested in the preliminary discussions on this article that what has been called the greater formula might be properly distinguished from the formula now before us. It seems more convenient and more familiar in describing what we have in mind by bearing in mind the position which has been expressed by the Delegate of the United States. We came to the conclusion that the wording now incorporated in Article IV-1 was for the purpose of this treaty a preferable one. That there is, of course, from the text, the consideration that the United States has no extra-territorial footing in this area and that may not be strengthening the position, the constitutional procedure which the United States Government has to follow. We realize that for him to say that any aggression in the area that we are discussing would constitute a threat to the peace and security of the United States would be an extremely difficult or impossible position to adopt. We realize also that in the case of communist aggression, the other parties to the treaty would have the active support of the United States and surely we also should bear in mind that the most probable form of aggression in the area is, in fact, communist aggression. We thought for reasons which I need not expound now, and which is common to all delegations present, is the word "communist" [*sic*]. In the article, as originally drafted, "communist aggression" was undesirable. The United States has seen the difficulties with which the other countries, which took that view, will face and have now preferred the solution of that problem which, with the exclusion of the word "communist" and the introduction of the proposed reservation, would clear the defect which was confronting that delegation which did not like the appearance in the text of the word "communist" and under those circumstances, so far as the United Kingdom is concerned, on Article IV-1, we should be prepared to accept that article with one reservation in its present form, omitting the word "communist" and at the same time recognizing the United States' desire to attach the reservation to the treaty. When I say "reservation", I assume that for our present purposes, the words beginning on the second line, Laos and Cambodia [and the territory] under the jurisdiction of the Free Vietnamese Government, would disappear and would reappear in the change of the draft which the Delegation of France has already announced its intention of laying before the Conference.

Delegate of Thailand. Is that the point mentioned by Lord Reading in his remarks that those two lines will have to go in lieu of the proposed agreement? I only want to seek clarification of that statement.

Delegate of New Zealand. Mr. Chairman, New Zealand's reason, I think, has been given already. Besides, it is the word "communist" that should be left out of this Article. At the same time we understand clearly the United States' position. We understand it clearly and we are quite satisfied with the suggestion that has been made by Mr. Dulles, the United States Secretary of State, in which he proposed the adding of the word "communist" to the treaty. We understand that generally speaking the United States administration commits its country, only according to its constitutional processes, and it seems to me the same question perhaps has been raised in the minds of some delegates as to whether in regard to communist aggression, the United States would still have to obtain the approval of the Senate. But as I understand it, communist aggression is regarded as a danger to the peace and security of the United States and, therefore, I suppose we might say in anticipation of the Senate to give its approval to that, so I take it, that it may be assumed that in case of communist aggression, the President of the United States or the Administration, whatever it is, would be free to act without giving the approval of the United States' Senate. But, Sir, the removal of the word "communist" from the draft means that there are those, who do not make reservation, who will be bound to act according to their constitutional processes—what is the exact wording?—"action to meet the common danger in accordance with their constitutional processes." In case of aggression which is not necessarily communist aggression and, for that reason, my Delegation wishes to consider Article IV, we have prepared to commit ourselves to the article in the amended form that has been suggested.

The Chairman. I would like to ask the Delegate of New Zealand if he would accept this Article IV as reported by the Working committee, except that referring to the inclusion of "communist".

Delegate of New Zealand. I will give it a thorough consideration. The question involved is that it obliges us to take action to resist any aggression.

The Chairman. What is your view if you put the inclusion in the text, of Cambodia and Laos?

The Delegate of New Zealand. I agree with the sense of the proposed amendment.

The Chairman. The Delegate of Australia.

The Delegate of Australia. I was about to say that the Australian delegation is prepared to accept the proposal of the New Zealand delegation.

The Chairman. Any more remarks? (*After a pause*) I want to call the attention of the Conference that the Thai delegation has proposed an amendment to this. I would like to hear from the Thai delegation what it has to say about this amendment.

The Delegate of Thailand. Mr. Chairman, two points have already been dealt with, namely, whether or not to delete the word "Communist" and also the mention of Cambodia, Laos and the Free Vietnamese Government. I will deal with them shortly.

My delegation agrees with the term "Communist aggression", but if the word "Communist" is omitted, we can well understand the desire of the United States delegation to make a reservation as to its understanding of the obligation in this respect. As regards the attitude of my delegation, we will have to consider the matter further, that is to say, I have to consult with the members of the delegation. Now as regards the mention of Cambodia, Laos and the Free Vietnamese Government, we accept the French Protocol. Now in regard to the amendments submitted by Thailand, I would in the first place repeat what I said yesterday about the position taken by the United States as regards the initiative of the United States itself. We in Thailand are very grateful for that initiative, and we have full confidence that the United States will take immediate action to come to our help if we should be attacked by the Communists.

As I was saying just now, what really matters is the substance but at the same time the wording is important from the psychological point of view as it appears to the peoples of this region. I realized at the same time the importance of the psychological factor in regard to the ratification by the United States Senate, and although I would prefer the Philippine form of the proposal, I realize that it would be most difficult when we tackle the practical problem of seeing effective results. I realize the difficulty and therefore I agree that we should keep the wording as near as possible to the latter type of treaty in order to facilitate or even enable approval by the United States Senate. My amendment is to the following effect. The present text reads: "and agrees that it would estimate the common danger in accordance with its constitutional processes," and my amendment is that this sentence should read as follows: "and agrees that it will, in that event, take appropriate action to meet the common danger." Now, in substance it is the same as the present draft, and I will try to demonstrate that. In the first place, "would" is conditional, I think, and we could well say "will", in that event. That will have the same meaning and substance, but at the same time, from the point of view of psychological effect, it will help clear, at any rate, in explaining to my people or the public of my country that it is a legal obligation, and indeed in here, I would like to mention that the draft now under our consideration, which is the United States draft, is already using legal language. For instance, it says "would endanger its own peace and safety" instead of "would be dangerous to its own peace and safety." and also it says, "agrees that" instead of "declares that", which is the wording in the ANZUS type. So already there is a decided improvement, in our opinion, and I think that a further improvement might be possible if we could say "it will, in that event," instead of "it would." Now, as to "act to meet the common danger," I propose to say, "take appropriate action to meet the common danger."

The meaning of the word "appropriate" is that each party still acts in accordance with its constitutional processes, and that is really stated in Article IX which says not only that the treaty should be ratified, but it says that its provisions be carried out by the parties in accordance with their respective constitutional processes. And, therefore according to my formula, each party will still be acting in accordance with its constitutional processes. On the words "to take appropriate action", the word "appropriate" there is meant to convey that meaning. Now, if the words "in accordance with its constitutional processes" which are already in Article IX, and obviously it should be kept there, as in the case of NATO, if those words could be left out here in Article IV, I think that it would have a very good psychological effect not only on the people of my country but on the peoples of other countries in the region. Now, whether the psychological effect on the Senate would be very much adverse or not, I don't know, but as we are fortunate enough to have two eminent senators here, perhaps when they understand the motive underlying my observations and the amendment we have submitted, perhaps, they would take that amendment with sympathetic consideration. Obviously, I have no wish to create any difficulty. We are here in order to find the greatest common factor of agreement and if I have put in the amendment, I can assure the conference that without meaning to embarrass the United States Government or the United States Senate in any way, the motive in my doing so is purely to reassure the peoples of this region and give them encouragement from the psychological point of view.

The Chairman. Gentlemen, it is already 12:35 p. m., so we will adjourn until this afternoon at 2:30 p. m., unless the conferees prefer another time. Is 2:30 p. m. all right for you? (*Silence.*) The Chair having heard no objection, the session is adjourned until 2:30 p. m.

(Time of adjournment—12:36 p. m.)

Conference files, lot 60 D 627, CF 356

Verbatim Proceedings of the Fourth Plenary Session, Manila Conference

TOP SECRET
Document No. IV

MANILA, September 7, 1954—2:50 p.m.

RESUMPTION OF THE SESSION [1]

The Chairman. The session is resumed.

Now we are going to resume our discussion on Article IV.

The Delegate of France. [2] Mr. Chairman, the position of the French Delegation in regard to Article IV as well as with regard to Articles III and V depends on the general feeling of the Conference about the draft article which we tabled. Before we are in a position to accept finally this article, we would like to know whether the Conference as a whole accepts our draft protocol, because only some of the Delegates have expressed their feeling in this respect, and we would wish to have the unanimous accord of the Committee. With this observation, we would make the following suggestions: Delete the word "Communist" in the first line of Article IV, then in the first paragraph of the same Article IV, delete the names of the states of Laos, Cambodia and Vietnam, and take into account the reservation made by the United States Delegate with regard to the Communist character of the aggression. As regards the comments which were made here this morning by Mr. Dulles, we are ready to accept that, and with these reservations and comments, we would ask the Chairman to put the question of the draft protocol article to the Committee.

The Chairman. Any more remarks?

The Delegate of New Zealand has some reservation on this Article IV. We would like to get this straightened out now.

The Delegate of New Zealand. We have considered Article IV and are prepared to accept it with the deletion of the word "Communist." I will withdraw any reservation that I have about this.

The Chairman. About Cambodia and Laos?

The Delegate of New Zealand. I think we will accept the French proposal on that, as I indicated this morning.

The Delegate of Thailand. Mr. Chairman, the Delegation of Thailand accepts the deletion of the word "Communist" and we accept the French protocol too, except for a little comma after "Cambodia." I do not know whether that is correct because there are the words "the states of Cambodia, and Laos." I think it will be better without a comma referring to the states of Cambodia and Laos and the free territories, etc.

The Delegate of Australia. I would just like to say, in respect to Article IV (1) and Article V, that I telegraphed back to my government one or two points on each of these matters. I do not anticipate anything as an agreement with respect to this stand, but I would ask if we might have the privilege of reserving our position during today and asking if it would be agreeable to the Conference to have a further and maybe a short closed session tomorrow morning before which time I should be able to tell you the attitude of my Government in respect to any matters that I have doubt in my mind.[3]

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[1] Apparently an incorrect designation. No transcript or other indication of a previous sitting of the Fourth Plenary Session has been found in Department of State files.

[2] The following passage may be a translation of La Chambre's remarks.

The Chairman. United States?

Delegate of the United States. Mr. Chairman, we agree to the French proposal in the elimination of the word "Communist", the substitution of a protocol as proposed with reference to Cambodia, Laos and Vietnam in the French protocol, we believe [*sic*] and accept the elimination of the comma (,) in the protocol. On the latter part, if it would be generally acceptable and would in a way accommodate the views of the Honorable Delegate of Thailand, the United States would accept the words "and anxious as we are in that event to meet the common danger". I think that makes a slight emphasis and in fact involves the acceptance of the part of the wordings which you suggest—"will in that event take appropriate action to meet the common danger".

Would you prefer that first one?

Delegate of Thailand. I do.

Mr. Chairman, as I said this morning, we are all anxious to conclude a pact as soon as possible and to set up the organization as quickly as possible. Once set up, the organization can and will be built up and developed and I think that what we desire most of all is to get the organization started as rapidly as possible. I realize too the difficulty that the United States Government might have with its Senate if the words "in accordance with its constitutional processes" were deleted here. Although legally speaking, as I pointed out this morning, there is an adequate safeguard in Article IX. But, I, for one, would like to see the Treaty come into operation as rapidly as possible, and hence I would desire as rapid a ratification as possible of the Treaty. Under these circumstances, considering that there is an improvement in the wording which to me now constitutes a definite legal obligation to act, I accept the wording offered by the United States Delegation. There is thus one other word, I think, that one in the fourth line which says "or against any States or territory which the Parties, etc." I think it should be "against any State or territory, etc. . ." [4]

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[3] During the Fifth Session, held the morning of Sept. 8, Casey announced that his delegation accepted the text of Article IV, paragraph 1, and the text of Article V. (Verbatim transcript of Fifth Plenary Session, Manila Conference; Conference files, lot D 627, CF 356)

[4] All ellipses in this document are in the source text.

Delegate of the United States. I agree, Mr. Chairman, that the singular is better: "any State or territory".

Delegate of Pakistan. Mr. Chairman, may we inquire how the article now reads?

The Chairman. We would ask the United States to read the article as it now stands.

Delegate of the United States. (*Reading.*) "Each Party recognizes that aggression by means of armed attack in the Treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations."

The Chairman. Is that clear to everybody now? Can we then say that as finally drafted this Article receives your acceptance or agreement? Of course, the Australian Delegation has asked for time until tomorrow morning to wait answers to his telegrams. We are going to have a closed session tomorrow morning anyway.

Delegate of the United States. Mr. Chairman, is it to be understood that the protocol proposed by the French Delegation has been finally agreed upon—unanimously agreed upon?

The Chairman. We will ask the acceptance of the Conference first. Without any conclusive vote on this, because of the request of the Australian Delegation, we will at least consider that as drafted finally which is likely to be finally approved.

Now, how about the protocol proposed by the French?

Delegate of the Philippines. Are we to understand that consideration of the first paragraph of Article IV will be held in abeyance until tomorrow for the benefit of the reservation made by the Minister of Australia?

The Chairman. The final approval will have to be tomorrow morning.

Delegate of the Philippines. If that is the understanding, the Philippine Delegation would like to reserve its right to make a statement on this Article in a reservation tomorrow morning too, after we have heard the reply to the query of the Honorable Delegate of Australia, if that is agreeable to everybody.

The Chairman. How about this protocol now of France? The Chair would like to ask whether it is understood that the protocol is agreed upon.

Delegate from Australia. Mr. Chairman, the Australian Delegation, I think I can say quite firmly, accepts the French protocol. I would just like to ask: Do we approve it on the understanding that the Government of Laos, Cambodia and free Vietnam decided and have indicated to us that they have decided? Presumably, that is the effect.

The Chairman. I would rather have the French delegate answer that question.

The Delegate of France. (*In French*) (*The following is the English translation:*)

Mr. Chairman, in reply to this question put by the Australian delegate, may I say that in the course of several contacts I have [had] with the representatives of Laos, Cambodia, and the free state of Vietnam, these representatives expressed the wish and desire that their territories should be considered and provided for in the Treaty in accordance with the Geneva Conference.

The Delegate of the United States. The United States accepts the protocol with the punctuation which is suggested by the Delegate of Thailand, to put a comma (,) after Cambodia.

The Delegate of the United Kingdom. Mr. Chairman, the United Kingdom delegation also accepts the protocol. I wonder whether we should put something to the effect that the protocol comes into force simultaneously with the coming into force of the Treaty.

The Delegate of France. Agreed.

The Chairman. Anything more? (*After a pause.*) So is it understood that the French protocol is approved by every delegation? (*Silence.*) In that case, the Chair declares the French protocol, in connection with paragraph 1 of Article IV approved. Now we will go to paragraph 2.

The Delegate of the United States. Mr. Chairman, before we pass on, do I take it that there is no objection to the United States' expressing its understanding as indicated, that as far as the United States is concerned the reference to Article I applies only to Communist aggression? I am not asking any other delegation for the support of that, but merely to have it understood that there is no objection to having that understanding in the document.

The Chairman. Is it understood by every delegation that the United States has a reservation to that effect, and is it agreed upon by everybody? (*Silence.*) That reservation is therefore approved.

Now, let us discuss paragraph 2 of the same Article. Does anybody propose the approval of this paragraph? Is there any objection to the approval of paragraph 2 of Article IV? (*After a pause.*) The Chair hears none. So paragraph 2 of Article IV is hereby declared approved. We now go to Article VIII.

The Delegate of the United Kingdom. Mr. Chairman, I am sorry to intervene, but there has been circulated by my delegation a suggested paragraph 3 to Article IV which I think is in the possession of other delegations and having regard to the obligations of parties members of the United Nations.

"It is understood that no action on the territory of any State designated by unanimous agreement under the first paragraph of this Article shall be taken except at the invitation or with the consent of that State."

You might say that you already have your obligations in that regard under it as a result of your membership in the United Nations. But I suppose that the other Delegates will agree that there is a particular advantage in spelling out the actual position in this regard in connection with this particular Article of the proposed Treaty. It may well be that some neighboring countries to those who are Parties to the Treaty in Southeast Asia and Southwest Pacific took the view that Article IV (1) in fact gave the Parties to the Treaty the power indicated in the text of the Treaty, that once a country has been designated, to act by way of moving to the territory of that country in order to resist aggression without the consent or without the invitation of the country into whose territory they are going, it seems to us very desirable that if any country once it has that apprehension it should be removed, but as I said by setting out with particularity in the traditional protocol, the determination of the Parties to the Treaty not to act in any way in violation of the United Nations' obligation by committing what is known technically as secondary aggression, but only to go into the territory of a designated country by the invitation or with the consent of the country concerned. And it is with that purpose that this additional paragraph is laid before the Conference.

Delegate of U.S. Mr. Chairman, the United States Delegation takes in general a desirable addition [*sic*]. I would, however, ask the Honorable Delegate of the United Kingdom whether he would not think it preferable merely by saying, it is understood. I make that suggestion because it happens that the prospective parties to the treaty are all members of the United Nations, but it is a possibility that certain nations of this area are not members of the United Nations and it is therefore not appropriate to have them referred to as Members of the United Nations. I have, for example, in mind Ceylon which is not a Member of the United Nations which might adhere to the treaty. Reference to the obligations of the Members of the United Nations are unnecessary in this paragraph.

Delegate of United Kingdom. I see the first point just raised by Mr. Dulles and I am prepared to accept his suggestion, to begin the paragraph with the words: "It is understood."

The Chairman. How will this read?

Delegate of the United Kingdom. We prefer the first clause, the words having regard to the parties as Members of the United Nations would be omitted and it will begin reading like this: "It is understood that any state designated by unanimous agreement under the first paragraph of this Article, . . . except at the invitation or consent of that state." We merely take out the first clause with reference to the United Nations.

The Chairman. May we hear from the Secretary General about paragraph 3, that is the provisional paragraph 3?

Secretary General. That is additional paragraph 3. It will begin, as amended by the United States Delegation, as follows: "It is understood that no action on the territory of the United States [*sic*] designated by unanimous agreement under the first paragraph of this Article shall be taken except at the invitation or with the consent of that state."

Delegate of Pakistan. Mr. Chairman, the first part of this Article says "that aggression by means of armed attack in the treaty area against any of the parties or against any state or territory which the parties by unanimous agreement may hereafter designate." The United Kingdom Delegation will say what can be done on the consent of the territory or state. Some solution to that will have to be found.

Delegate of U.K. I suppose that the territory must be the territory of some state in some form and therefore it is understood that the action is in the territory of any designated state. It is in fact a sufficient protection to make this Article effective in the territory in the area.

Delegate of Thailand. Mr. Chairman. I have the same point as the Honorable Delegate of Pakistan regarding the territory, of course, usually a state, but I think that is defined in paragraph 1 saying "any state or territory" and, therefore, the draft here should conform to that. Couldn't we say something like this: It is understood that no action in the territory of any state or any territory designated by unanimous agreement in the first paragraph of this Article should be taken, except at the invitation and with the consent of the government concerned because a territory designated must have a government.

Delegate of the U.K. Mr. Chairman, if there is any difficulty or any doubt in the minds of any delegates, I am prepared to accept the suggestion made by the Delegate of Thailand.

The Chairman. The amendment is worth serious consideration. May we have that circulated?

Delegate of the Philippines. Mr. Chairman, inasmuch as the consideration of the whole of Article IV is held in abeyance until tomorrow, we might just as well take this amendment tomorrow when we take up again Article IV so that we might see the copies of the latest amendments.

The Chairman. I think that is a good suggestion to give time for typing and distribution. We will take it up tomorrow.[5] After all, we cannot have definite action . . .

The Chairman. . . . on this now? (*Silence*)

Now we will go to Article VIII. Any remarks?

The Delegate of the Philippines.

The Alternate Delegate of the Philippines. The Philippine delegation has an amendment to this article, and it is in the nature of a substitute amendment, and I would like to ask the Secretary General, who has a much better voice than I have, to read the amendment.

The Secretary General. The Philippine delegation has proposed the following substitute amendment to Article VIII:

> "As used in this Treaty, the 'treaty area' is the area of Southeast Asia and Southwest Pacific within the territorial jurisdiction of the Parties. The Parties may by unanimous agreement amend this article to include within the treaty area the territory of states acceding to this Treaty or otherwise to change the treaty area."

The Alternate Delegate of the Philippines. I believe the proposed substitution is quite clear and needs no explanation. It defines specifically and concretely what the treaty area includes, and it leaves no room for doubt whatever as to what must be regarded as part of the territories covered by the treaty area.

The Chairman. The Delegate of Pakistan.

The Delegate of Pakistan. Mr. Chairman, with all respect, the amendment proposed does not define what is within the area. It says, "As used in this Treaty, the 'treaty area' is the area of Southeast Asia and Southwest Pacific within the territorial jurisdiction of the Parties." Now the area has to be either within Southeast Asia or within Southwest Pacific, and then, further, to be within the territorial jurisdiction of the parties, and it still needs the question of definition of what is the area of Southeast Asia.

The Chairman. The Delegate of the Philippines.

The Delegate of the Philippines. If I may answer that. All the parties to this treaty will have their territorial jurisdiction within this general area of Southeast Asia and Southwest Pacific. Therefore, we really define here that the territories included are only those within the territorial jurisdiction of the member parties, except that the qualification that they must be in Southeast Asia or Southwest Pacific is merely a qualification of the size of the member parties to the Treaty.

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[5] Final substantive language of this paragraph was suggested by the Thai Delegation during the Fifth Session, as follows:

"It is understood that no action on the territory of any State designated by unanimous agreement under the first paragraph of this Article or on any territory so designated shall be taken except at the invitation or with the consent of the government concerned." (Verbatim transcript of Fifth Plenary Session)

The Chairman. The Delegate of Pakistan.

The Delegate of Pakistan. With all respect again, I should ask that we define what is the area of Southeast Asia. Then within that area, the territory which is within the jurisdiction of the parties to the Treaty will have been sufficiently defined.

The Delegate of the Philippines. Well, we are not trying to define that. We are just trying to specify that the parties to this Treaty are all in Southeast Asia and Southwest Pacific, and it is the territories included within the territorial jurisdiction of these parties to the Treaty that are defined as the treaty area. However, if the Honorable Gentleman from Pakistan has any suggestion for improvement, we would be very glad to consider it. As far as we are concerned, we believe we understand very definitely that what is meant by this is that the treaty area covers all the territories within the territorial jurisdiction of the parties to this treaty.

Now, the other qualification is merely to designate the location of the parties to this treaty. However, we would be very glad to have any improving amendment so as to remove any possible doubt.

Delegate of Pakistan. Well, Mr. Chairman, we understand that there is a proposal by the United Kingdom Delegate which has been circulated. Could we read that also so that we could see what could be done to improve the definition?

Delegate of United Kingdom. Mr. Chairman, we have circulated a proposal for the definition of Article VIII which I think, if I may respectfully state, deals with the point about the conference area more effectively than the proposal put forward on behalf of the Government of the Philippines, because that draft submitted by the Government of the Philippines leaves in the area the very important question of whether Pakistan, for instance, is in Southeast Asia. It deals with a country which is inside East Asia, the area of any other parties within East Asia, but it does not make it clear. Frankly, there might be considerable dispute as to whether Pakistan itself is at all within Southeast Asia, and to deal with such a situation, we put forward the amendment which stands in our name, that, "as used in this Treaty, the 'Treaty area' is the general area of Southeast Asia, including the entire territories of the Asian parties. . . ." Now, that is designed to put beyond any dispute the fact that the whole of Pakistan is within the treaty area, whether it can be normally regarded or not as part of Southeast Asia. That is our objective. It deals on [*with*?] the general area of Southwest Pacific, not including the Pacific area north of 21 degrees 30 minutes north latitude, which will go north of the Philippines and south of Hongkong. That is the object of our amendment, as our suggestion, and I think it does at least achieve the particular object to which I drew attention.

Alternate Delegate of the Philippines. It seems to me that the substance of the United Kingdom Delegate's amendment is practically the same as our amendment, but if the Gentleman from Pakistan will tell us whether his doubts about what constitutes the general area of Southeast Asia is cured by this definition, we would be very glad to compromise in anyway possible, but it seems to me that this amendment of the United Kingdom still leaves open what the general area of Southeast Asia is.

The Delegate of Pakistan. Mr. Chairman, with reference to the observations just made by the Philippine delegate, I may with all respect indorse the following from the Marquess of Reading that is the definition proposed by the United Kingdom delegation, that is to say, "As used in this Treaty, the 'treaty area' is the 'general area of Southeast Asia.'" Now, if we had stopped there, of course the same objection would apply to this as it would apply to the Philippine text. But it goes on to say, "including the entire territories of the Asian Parties . . .", meaning the Asian parties to the treaty, wherever they may be attacked in the entire territory. So that any doubt with regard to the delimitation of Southeast Asia is thereby removed, and that, I understood, was the object.

Senator Delgado from the Philippines. That is the same as saying all the territories included in the territorial jurisdiction of the parties to the treaty are included in the treaty area.

The Delegate of Pakistan. With all respect, that is not what the Philippine amendment says. It says the treaty area is the area of Southeast Asia and Southwest Pacific. How about the area out of these two areas which is within the territorial jurisdiction of the parties? Supposing the parties have some area within these areas and some outside these areas, that within would be included and that outside would not be included. Whereas, the United Kingdom amendment makes it quite clear that the entire territories of the Asian parties, whether they are situated within the general area or not, are intended to be included.

Senator Delgado of the Philippines. Would that objection be cured if we remove from the Philippine amendment the words "of Southeast Asia and Southwest Pacific", and leave merely "the area within the territorial jurisdiction of the parties"?

The Delegate of Pakistan. That would include the United States also.

Senator Delgado of the Philippines. That would include the territorial jurisdiction of the parties.

The Delegate of Pakistan. I have no objection.

The Delegate of Australia. Mr. Chairman, I do not know whether I heard the delegate of Pakistan aright, but I would like to say that the verbiage in the United Kingdom delegation proposal meant that any territory of an Asian party included in the treaty anywhere in the world are [*is*] included if they have territories outside the Southeast Asian area. I would have thought, sir—I am referring to the British draft—I would have believed that the implication at least in the British draft is that the territories of the Asian parties must be in Southeast Asia. It would seem to me that is unsaid, but that is implied after the word "Asian parties", the fact being that the entire territories of the Asian parties must be in the general area of Southeast Asia. I think, perhaps, after the delegate of Pakistan inquired quite legitimately, that if a territory is not in the Southeast Asian area, I would assume that that territory would not be included in the guaranty of this treaty.

The Delegate of Pakistan. Well, we are thinking of that, and if the definition proposed by the United Kingdom would leave that matter still in doubt, I would say that the definition should run somewhat as follows: "As used in this Treaty, the 'treaty area' is the general area of Southeast Asia, including the entire territories of the Asian Parties, whether situated within or without Southeast Asia, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees 30 minutes north latitude."

The Chairman. Why not take away . . .

The Delegate of Pakistan. Or, perhaps, the general area of South and Southeast Asia, including the entire territories of the Asian parties.

The Delegate of Australia. That, I think, is more preferable. Otherwise, our obligation becomes very widespread potentially very widespread.

The Delegate of the United States. May I speak a moment on this problem. I would think that the United Kingdom text would pretty well meet the case with, perhaps, the addition of the word "also" before the word "including" to meet the possible doubt that is raised by the honorable delegate of Australia. My question about the Philippine proposal, among other things, is it limits the area to the territorial jurisdiction of the parties. That would mean, for example, if there is an attack upon the French forces, let us say, in any portion of Vietnam, that would not be covered because that would not be within the territorial jurisdiction of the parties. Furthermore, it means that if there is an attack on aircraft or naval craft on the high seas or in the international air, of one of the parties, that would not be covered because it would not be an attack in the territory of the parties. Therefore, it seems that the more general language of the United Kingdom proposal is preferable to the one which would tie us down to the territories of the parties, let us say, thereby excluding an attack upon which might quite legally be in the territory which is not one of the parties, or which may be on the high seas or in the international air.

The Delegate of the United Kingdom. Mr. Chairman, I would accept that suggested amendment just made by the head of the United States delegation, which is the insertion of the word "also", which would allay any fear that the Australian delegate may have, and make it quite clear, and I hope that it might also meet the difficulty of the Pakistan delegation in a shorter and more concise way. So far as I am concerned, I am personally prepared to accept the word "also" being inserted before the word "including". Rather, I would say this "including also the entire territories of the Asian parties." That would be placing it after, rather than before.

The Delegate from the Philippines. How would that read now?

The Secretary General. (*Reading.*) "As used in this Treaty, the 'treaty area' is the general area of Southeast Asia, including also the entire territories of the Asian Parties, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees, 30 minutes north latitude."

The Delegate from Australia. I am assuming that all the territories and the trust territories of Australia, that is, in the eastern half of New Guinea, plus the other territories in the treaty area are included under the Southwest Pacific.

The Chairman. There is no question about that.

The Delegate of Pakistan. Mr. Chairman, I would be prepared to accept the amendment suggested by the United States Delegation and which is acceptable to the United Kingdom Delegation, that is to say, that the word "also" may be added after "including" in the second line of the United Kingdom proposal.

The Chairman. I just want to inquire here: If I am not mistaken, there are some territories of a non-Asian party north of 21 degrees, 30 minutes. What happens when some trouble arises in this area?

The Delegate of the United States. Well, I am afraid, as far as the United States is concerned, we think they would try to take care of themselves.

The Delegate of the Philippines. In order to accelerate the agreement and although this amendment of the United Kingdom is really more comprehensive than we had intended by our amendment, the Philippines will be prepared to compromise on this agreement with the additional amendment suggested by the United States Delegation.

The Chairman. Well, any more remarks on this? As completely or partly put into form, this article will now read: "As used in this Treaty, the 'treaty area' is the original area of Southeast Asia, including also the entire territories of Asian parties and the general area of Southwest Pacific not including the Pacific area north of 21 degrees, 30 minutes north latitude," with the understanding, of course, that if that is accepted, that any territory of any party here, non-Asian party, farther north 21 degrees, will have to be taken care of by the party concerned. Is that understood, Mr. Reading?

The Delegate of the United Kingdom. It is understood.

The Chairman. Is it understood that those territories farther north of 21 degrees will take of themselves?

The Delegate of the United Kingdom. That is understood by me.

The Chairman. Are you ready to vote on this, as finally formulated? Those who have objections will say so because I will announce its approval. (*After a pause.*) There being no more objections, the Chair declares that Article VIII, as finally formulated, is hereby approved.

The Delegate of the United Kingdom. In my copy of the draft, there is another sentence which reads: "The Parties may, by unanimous agreement, amend this article as to include the territory of states acceding to this Treaty in accordance with Article VII or otherwise to change the Treaty area."

The Delegate of the Philippines. That has been agreed upon before we took up the first part.

The Chairman. Let us clarify that. Is that agreed upon by everybody? The second sentence here: "The Parties may, by unanimous agreement, amend this article to include within the Treaty area the territory of states acceding to this Treaty in accordance with Article VII or otherwise to change the Treaty area."

If there are no objections, the Chair declares the whole Article VIII approved.

[Here follows discussion of a final Article XI (dealing with textual authenticity) and an article proposed by the Philippine Government.] [6]

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[6] In telegram Secto 17 from Manila, Sept.7, the delegation summarized the part of the session devoted to the Philippine proposal as follows:

"The Philippine Government proposed new Article IX as follows:

" 'The parties recognize and will uphold the principle of self-determination and the right of the peoples in the area of southeast Asia and southwest Pacific to self-government or independence in accordance with the procedures provided therefore in the Charter of the United Nations'. This article supported by Pakistan and Thailand. Opposed by Australia, New Zealand, France and the UK largely on basis redundant, repetitive, unnecessary and in any case should be in preamble if this language used at all. Australia agreed with abstract principle but protested that proposed article provided for right of self-government immediately and stated that natives of New Guinea and Papua not yet ripe for self-government; expressed fear possible subversion of natives on basis that article. UK, France, New Zealand all in

Continued

396.1 MA/9-754: Telegram

The Ambassador in France (Dillon) to the Department of State [1]

CONFIDENTIAL PARIS, September 7, 1954—8 p.m.

1005. Margerie [2] states Mendes has instructed La Chambre that French delegation, except for suggesting verbal changes in draft, should go down line with US on all major points.

DILLON

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agreement any language this nature should be in preamble. Wished to consider further and discuss again at later stage.

"Secretary stated he was impressed by fact that as matter of logic it would be redundant to express again what is expressed in the UN Charter and will presumably be proposed in the basic charter, however, cold logic cannot be sole guide in situation shot through with emotions, distortions and misrepresentations. Asian members of conference feel it very important to set forth this principle and to say it even if repetitiously. It appears only argument against agreement on this article is repetition and the fact that it is repetitive ought not to be controlling. We would be disposed to give very sympathetic hearing to Asian viewpoint.

"Delgado speaking for Philippines cited United States-Philippine relations. He said Philippines agreeable to any safeguard UK, New Zealand, Australia, France felt necessary; would not insist on any specific wording.

"Tentative plans finish substantive work tomorrow morning." (396.1 MA/9-754)

[1] Repeated for information to Manila.

[2] Roland Jacquin de Margerie, Deputy Director General for Political and Economic Affairs at the Foreign Ministry.

396.1 MA/9-854: Telegram

The Secretary of State to the Department of State [1]

CONFIDENTIAL MANILA, September 8, 1954—5 p.m.

Secto 20. Southeast Asian collective defense treaty and "Pacific Charter" proposed by Philippines approved at morning session. [2] Both being cabled as soon as confirmed texts available.

In morning session Philippine delegation withdrew its proposed article on self-determination of peoples on condition satisfactory clauses included in preamble and in charter. Clauses ultimately adopted in preamble and charter proposed by UK were acceptable

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[1] Repeated for information to Bangkok, Karachi, New Delhi, Saigon, Tokyo, Canberra, Wellington, London, and Paris; repeated by pouch to Colombo, Djakarta, Phnom Penh, Rangoon, and Vientiane. Also repeated to CINCPAC via military channels; the Department of State was requested to pass it to the Department of Defense.

[2] The Fifth Plenary Session.

Philippine delegation.[3] Philippine delegation, however, made a statement in which it accepted Article IV subject to inclusion of an explanation regarding Communist aggression over the signature of Philippines and of a separate protocol concerning Associated States. This reservation[4] proposed at last minute led to immediate reaction from several other delegations who felt it necessary reserve their positions pending clarification or instructions from governments.[5] Problem thus raised worked out during intermission and Philippine delegation withdrew objectionable part of their statement, leaving innocuous statement of acceptance of Article IV.

It agreed confirmed texts would be released to press at 4 o'clock this afternoon, when signing ceremony to take place.

DULLES

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[3] Reference is to the fourth paragraph of the Preamble, and the fifth and sixth paragraphs of the Charter, both cited in the editorial note *infra*.

[4] No text of the proposed Philippine reservation has been found in Department of State files. Its purpose was described by Senator Delgado during the Fifth Session as follows:

"The Secretary [General] will furnish copies of our reservation, but I will say to the Minister of Australia that the only purpose is to express our understanding of the reservation about any other attack than communism, which is along the line of the reservation made by the United States of America. That is the only purpose. . . . The way we feel is that if there should be any other armed conflict not provoked by Communism or it is [*sic*] entirely distinct from any communist aggression, that it is the understanding that we will take our consultation about it and decide whether we should participate or not, that is, if we are not bound automatically to participate in case of any other attack than that of a communist attack." (Verbatim transcript of Fifth Plenary Session)

[5] The verbatim transcript of the Fifth Session indicates that the Delegates of Australia and the United Kingdom reacted as described. Casey stated: "It might affect the attitude of Australia if there is to be a reservation other than that by the United States of America, who will not be in a particular position to help".

Editorial Note

The Southeast Asia Collective Defense Treaty (including an Understanding by the United States), a Protocol to the Treaty, and the Pacific Charter were all signed at the close of the Sixth Plenary Session the afternoon of September 8, 1954. The Treaty and Protocol were signed for Australia, France, New Zealand, Pakistan, and the United Kingdom by the respective chiefs of delegation. Garcia, Delgado, and three other delegates signed for the Philippines. Dulles and Senators Smith and Mansfield signed for the United States. Casey circulated Conference Document No. VI-a, whose substantive text is as follows: "I shall sign—subject to the right of the Australian Government to review the Treaty prior to ratification in accordance with Australian Constitutional practice." (Conference files, lot 60 D 627, CF 356) Casey used similar language during his statement to the Sixth Plenary Session. (Verbatim transcript of Sixth Plenary Session; Conference files, lot 60 D 627, CF 356) The following sentence appears over the signature of Mohammed Zafrullah Khan in both documents: "Signed for transmission to my Government for its consideration and action in accordance with the Constitution of Pakistan."

For text of the Treaty (with Understanding) and the Protocol, see 6 UST 81.

The Pacific Charter was initialed, rather than signed, by the chiefs of the Australian, French, and New Zealand Delegations. Minister Zafrullah Khan attached no reservation to his signature of this document, but Lord Reading signed "*ad referendum*". Signatures were otherwise identical to those for the Treaty and Protocol.

For text of the Pacific Charter, see 6 UST 91.

For text of the Secretary's statement made at the Sixth Plenary Session of the Conference, see Department of State *Bulletin*, September 20, 1954, page 392. His report to the nation, "The Manila Pact and the Pacific Charter", delivered over radio and television on September 15, is *ibid.*, September 27, 1954, page 431.

790.5/9-854: Telegram

The Secretary of State to the Embassy in Australia [1]

TOP SECRET MANILA, September 8, 1954—6 p.m.

[Unnumbered.] Eyes only Ambassador. Please immediately deliver following personal message to Prime Minister. [2]

My good friend: We have just concluded signing of the Southeast Asia mutual defense treaty. This act will I believe have great positive value particularly if we see it through. Certainly failure to have concluded the treaty would have endangered us all by exposing weakness and indecision.

I realize that your government felt towards the end that certain issues were involved which would have made it easier for you if the signing had been delayed or if your Foreign Minister had signed with formal reservation. I felt bound to tell Casey that either course would in my opinion have had the gravest consequences. I am personally under the greatest pressure to return to the critical European scene and must leave early tomorrow morning. Therefore, delay was out of the question, if the whole project were not to be abandoned. The making of a formal reservation at this late stage would have led every delegation to reconsider its position and this too would have jeopardized the treaty. We had only with the greatest difficulty persuaded the Philippine Government not to make such a reservation and had to secure the intervention of President Magsaysay to that end. Our principal argument was that if the Philippines started, Australia would follow and that would jeopardize the treaty. You can see in face of this situation that neither delay nor formal reservation was practical and consistent with the great purpose we jointly try to serve.

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[1] Repeated to the Department of State as Dulte 21. The source text is the Department's central file copy.

[2] See the telegram *infra* regarding the background of this message.

Casey did make a statement concurrently with this act which I think amply protects the position of your government and will enable you without any breach of faith to others to consider your position on the particular issue of non-Communist aggression. I hope however, that you will decide against making such a reservation. The position of the United States is different and has been made clear from the beginning because we ourselves are not territorially a part of the area. But I am bound to say that if some of the countries of the area make the reservation others will feel that the treaty loses much of its value to them and the ultimate result might still be very grave. The United States has of course, made clear that in the event of non-Communist aggression we would join in consultation to decide on action and I believe that, practically, we are in the same boat [3] even though our remoteness from the scene makes it impossible for us honestly to say that non-Communist aggression would be a danger to the peace and security of the United States.

DULLES

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[3] In telegram 101 from Canberra, Sept. 13, the Embassy indicated that due to an error, the word "position" was substituted for "boat" in the message as given to Menzies. (396.1 MA/9–1354)

396.1 MA/9–854: Telegram

The Secretary of State to the Embassy in Australia [1]

TOP SECRET
PRIORITY

MANILA, September 8, 1954—10 p. m.

[Unnumbered.] Eyes only Ambassador. Casey notified Secretary by telephone just before final session SEA Conference that he had been instructed by his government to sign treaty with specific reservation, analogous to that entered by US, to general effect that Australia would act under provision of treaty only if aggression was of Communist origin. During morning session September 8

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[1] Repeated for information to the Department of State as Dulte 20.

Philippines expressed in closed session desire to enter similar reservation and it then became clear that the conference might fail if they did so. With great effort they were dissuaded.

Casey asked Secretary if he could effect postponement of final session scheduled for 4:00 p.m. Secretary replied he could not do so since his schedule required him proceed Taipei and Tokyo September 9. Secretary went on to describe consequences Australia's announcing reservation at last minute as likely to cause chain reaction possibly disastrous to conference. Secretary pointed out that faced with vacillation on the part of certain our European allies we hoped for steadfast performance on the part of Australia whom we consider one of four most stalwart allies. Australia reservation would be followed by similar reservations on the part of Philippines, New Zealand and Thailand and that since UK, France and Pakistan would continue to take opposite position, conference would in fact split irrevocably. Casey said that his government would permit him to sign without the reservation if he was convinced that the conference would otherwise break down. Secretary encouraged Casey to omit the reservation. Webb confirmed Secretary's estimate serious consequences Australian reservation and also encouraged Casey to sign and to make appropriate references to fact that treaty must of course be ratified by Australian Parliament in consonance Australia constitutional processes. This Casey agreed to do [2] and did effectively and gracefully.

Casey, incidentally, and the Australian delegation as a whole have been extremely helpful during entire conference and have worked in complete harmony with US delegation.

DULLES

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[2] Casey gave to Secretary Dulles a copy of a telegram (sent to Canberra, Sept. 8) concerning this conversation. In general this telegram describes the conversation along similar lines. (790.5/9-854)

790.5/9-954

The Ambassador in Ceylon (Crowe) to the Department of State

CONFIDENTIAL
No. 159

COLOMBO, September 9, 1954.

Subject: Report of Conversation on September 9, 1954 between Sir Claude Corea, High Commissioner of Ceylon to the United Kingdom and Ambassador Crowe

Sir Claude Corea, due to his long residence in Washington is, I believe, a good friend of America and his opinions therefore can be considered as friendly criticism. During his six weeks visit to

Ceylon which terminated this week we have had three separate talks and covered most of the pressing questions of the day. It was not, however, till this morning's conversation that he really expressed himself forcefully. The matter under discussion was SEATO and should be made a matter of record.

Sir Claude said that in his opinion and in that of most of the Ceylonese Government Great Britain and America were very inept in their presentation of SEATO to the Colombo Powers. He added that if the western powers had taken Ceylon into their confidence and invited her to do the persuading for them in this part of Asia there would not have been the slightest doubt of her joining the pact. Instead of this approach, however, Ceylon was faced with a *fait accompli* with which she had nothing initially to do.

He said that the efforts of Mr. Dodds-Parker, the Parliamentary Secretary of the United Kingdom Ministry of Foreign Affairs, who recently visited the Island to get Ceylon to go along with SEATO were both ill-timed and unconvincing. . . .[*]

Sir Claude said that the Prime Minister is personally for SEATO and it was he that insisted on leaving the door open against the possibility of joining the pact in the future.[1]

P. K. Crowe

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[*] Asked about the Government's reaction to the efforts of the diplomatic corps here to swing Ceylon toward SEATO, he said that he had heard no criticism and felt that it was generally accepted that the representatives of France, the United Kingdom and the United States should endeavor to get Ceylon in line with Pakistan. [Footnote in the source text.]

[1] Apparent reference to the Government of Ceylon's communiqué dated Aug. 12, in which it made public its decision not to attend the Manila Conference but stated that it was prepared to maintain an open mind on the subject. For a résumé of the statement, see the *New York Times*, Aug. 14, 1954, p. 4.

In telegram Secto 25 from Manila, Sept. 25, the delegation reported on a conversation held between the Secretary and Minister Zafrullah Khan. Most of the conversation concerned relations of the United States and Pakistan, but the summary concludes: "Zafrullah believed Ceylon was wavering re SEA pact and probably would have come to Manila if it had not been strongly dissuaded by Indians and he suspected by UK. He mentioned that UK has tried to dissuade him from having more than observer at Manila." (790.5/9–854)

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 214th Meeting of the National Security Council Held on Sunday, September 12, 1954 [1]

[Extract]

TOP SECRET EYES ONLY

Present at this meeting, held at Lowry Air Force Base, Denver, Colorado, were the following: The President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission; the Director, Federal Bureau of Investigation; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; Robert R. Bowie, Department of State; Bryce Harlow, Administrative Assistant to the President; and the Executive Secretary, NSC.

Following is a summary of the discussion at the meeting and the main points taken.

1. Report by the Secretary of State (NSC 5429/1 [*2* ?])

At the suggestion of General Cutler, Secretary Dulles began the report of his recent Far East trip by discussing the Southeast Asia Treaty which was signed at Manila to protect the Southeast Asia area of the signatory nations. By separate protocol, Cambodia, Laos, and the free areas of Vietnam were also included in the treaty area.

As desired by the United States, the treaty utilized what Secretary Dulles termed the Monroe Doctrine formula previously used in the ANZUS and Philippine treaties. The other countries made an effort to utilize the NATO formula, but in view of the Senate debate on this subject and the previous use of the "Monroe Doctrine" formula in other treaties, the U.S. view had prevailed. Secretary Dulles believed that the other countries wished the NATO formula because it would provide for building up an elaborate military organization. Most countries wished the treaty to have a permanent organization, but this did not fit U.S. policy, so we had avoided a commitment in the treaty to a permanent organization. The treaty only provides that the nations will consult from time to time. In fact, there is no agreement yet as to where the treaty powers will meet, and this might be in different locations at different times.

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[1] Drafted by Lay on Sept. 13.

Under the treaty, if there is aggression the U.S. response would probably be with our mobile forces, as desired by the Joint Chiefs of Staff. There was a good deal of discussion of economic matters, and some suggestions of a Marshall Plan for the area. Secretary Dulles indicated that the U.S. was prepared to consider economic problems, but could not make any commitments or agree to an economic organization. Secretary Dulles had pointed out that the participation of other countries in the Far East would be required for the solution of the economic problems of the area. Pakistan had wanted an indication that the treaty gave the signatories preference for economic aid. Secretary Dulles agreed that non-member countries would not be entitled to ask for such aid, but that the treaty powers might, in their own interests, want to give other nations aid.

As to indirect aggression, the treaty provides that the nations will consult together, but there is no commitment as to action. Secretary Dulles said he did not feel he could press this further than that.

The greatest controversy had been over the U.S. proposal that the treaty should be against Communist aggression. In the beginning no other country was willing to single out Communist aggression, but wished the treaty to cover any aggression. Secretary Dulles had tried to break the deadlock by saying that the other countries could undertake the commitment against any aggression if they wished. However, the U.S. could not say that any aggression in the area endangered U.S. security, such as a border incident. Specifically, Secretary Dulles said he was thinking of the India-Pakistan dispute. He made it clear that the U.S. understood its commitment under the treaty to apply only to Communist aggression.

Secretary Dulles described the difficulties which were encountered toward the end of the negotiations when both the Philippines and Australia decided they were against the general formula and wished to have the treaty apply only to Communist aggression. It had then been necessary for Secretary Dulles to persuade them to sign the treaty with the general formula.

Secretary Dulles felt the most significant aspect of the meeting was the confrontation of the colonial and Asiatic powers trying to work out common problems. Magsaysay was the one who wanted a Pacific charter, and one was drawn up along the lines of the "Potomac Charter" by President Eisenhower and Prime Minister Churchill. This proposal caused an altercation which required Secretary Dulles to persuade the colonial powers that they should agree to encouraging the aspirations of colonial people. The charter was finally worked out pretty much along the lines of the Potomac Charter. Secretary Dulles said that he believed the Asian members thought real progress had been made, and that the treaty would provide a better basis for fellowship between the East and the West.

In answer to General Cutler, Secretary Dulles said that U.S. ratification would probably take about six months, and that it would be six to ten months before the treaty went into effect. He believed, however, that there was sufficient agreement to provide a basis for planning action and, if need be in an emergency, to take action. The most doubtful nation to ratify will be Pakistan.

The President asked why Australia and New Zealand had fought on the side of the colonial powers. Secretary Dulles said that it was because of the dependent areas which they had around them. In general they were worried about too much independence for the island peoples adjacent to them, and particularly about the disposition of Netherlands New Guinea. Also, they had a general disposition to show a common front with Britain. The British representatives, incidentally, were on the defensive because Foreign Secretary Eden had not attended.

Secretary Dulles then described his talks of about five hours with Chiang Kai-shek.[2] The burden of the talks was a great plea by Chiang for a mutual security treaty with the United States. Chiang said that this was the basic reason why they felt isolated, since the U.S. had treaties with all of the other free nations in the area. Chiang realized that the reason the U.S. was concerned about a treaty was the possibility that the Chinese Nationalists would bring the U.S. into an effort to reconquer the mainland. Chiang said that they wished to do that themselves, with only U.S. logistic support, since the fact U.S. participation would be a liability from the Asiatic viewpoint. Chiang felt that the Chinese Nationalists had shown their willingness to cooperate with the U.S., particularly by obtaining U.S. approval for everything they did regarding the Chinese Communists. In fact, Chiang said that they had waited four days, before retaliating for the artillery shelling of Quemoy, in order to get U.S. approval. Admiral Radford said he doubted this was an accurate statement.

Secretary Dulles told Chiang that it was funny that when he was in the Philippines they had been upset because they weren't covered by the Seventh Fleet orders to protect Formosa. It seemed that everybody thought the other fellow was better off. Secretary

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[2] After the Manila Conference, Dulles proceeded to Taiwan, where he conferred with President Chiang on Sept. 9. For documentation on this visit, see volume XIV.

Dulles suggested that Chiang think twice before changing the present situation under which U.S. operations regarding Formosa were covered by clear Executive order. If there were a security treaty he was not sure that the President would feel as free to take action. Secretary Dulles expressed to Chiang the belief that the Chinese Nationalists were better off for the time being the way they are. Secretary Dulles said he could not say that he had persuaded Chiang, but he thought he had aroused new considerations in his mind.

Secretary Dulles said that Chiang made no special plea for help regarding the offshore islands. Secretary Dulles knew that Chiang would like to have it, but thought he might have been afraid of being turned down, so he never asked.

Secretary Dulles had a feeling that Chiang was beginning to get tired and had aged considerably. He wondered whether Chiang still believes that he can reconquer the mainland. Chiang says so, but without the previous conviction. The President observed that Chiang's only hope was in a general uprising in China, for which Chiang would be called back, like Napoleon from Elba. Secretary Dulles commented there was no evidence that such an uprising would occur. He said that Chiang had applauded the Manila pact as a great achievement. Chiang thought the U.S. was doing better in Asia than in Europe. The President observed that Chiang had pointed out long ago that our future lay in the East, and was probably trying to prove it. Secretary Dulles said he had also explained to Chiang the principle underlying our redeployment in the Far East, and Chiang had made no criticism.

Secretary Dulles said that in Japan [3] he had had lengthy meetings with Premier Yoshida and Foreign Minister Okasaki, and a separate talk with Ikeda. [4] Secretary Dulles had explained U.S. redeployment policy and, as far as he could judge, Yoshida seemed to understand it and accept it.

Secretary Dulles said that the talks had indicated that economic matters were of considerable concern to the Japanese. The Japanese economic situation actually is improved, because of their austerity program and their good crop this year. They have almost enough rice for domestic consumption. In fact, the Chinese Nationalists were complaining that the Japanese were not buying Formosan rice. The Japanese trade deficit last year was about $1.1 billion. It is expected to be considerably less this year, and may be manageable if Japan can find some export markets in Southeast

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[3] The Secretary had flown to Japan from Taiwan, and had then started back to the United States on Sept. 10. For documentation on the visit, see volume XIV.

[4] Hiyato Ikeda, former Minister of Finance, was Secretary General of the Liberal Party.

Asia. Secretary Dulles told Yoshida frankly that Japan should not expect to find a big U.S. market because the Japanese don't make the things we want. Japan must find markets elsewhere for the goods they export.

Secretary Dulles said the big problem economically for Japan at present is the question of reparations, particularly with the Philippines, Indonesia, and Burma. He had told Yoshida that this presented a real dilemma, since the Japanese economy can't stand sizeable reparations but can't be built up without a reparations settlement. He suggested that Yoshida try to accept a reasonable settlement such as the recent Burmese offer, which appeared to be a reasonable proposal. Yoshida assured Secretary Dulles in the most emphatic terms that the outward evidence of anti-Americanism was not truly the feeling of the Japanese people. Secretary Dulles said that he feels no doubt that the Communists are making progress on that campaign, however.

Secretary Dulles expressed the belief that we may have to lower our sights on Japanese rearmament. We must measure the value of military forces in being against the political support as to how and when they may be used. He feels that General Hull [5] and Ambassador Allison agree. General Hull recently made a trip to Hokaido, where he observed the air facilities being built on a series of islands in the Kuriles. There were 50 MIG's on the nearest island, and if the build-up continues at its present rate the Russians will have more air power there than our entire Far East Air Force. The President commented that while we had spent many months arguing about the responsibility for losing China, we had just given away the Kuriles. He said he had never understood why in the name of God we did it, and that he thought it constituted the "damnedest stupidity".

In answer to the Attorney General's question whether Japan would need rice from Indochina, Mr. Stassen said that he did not believe so, although Japan was buying a little rice from Pakistan and Thailand. In answer to the President's question, Mr. Stassen said some progress was being made in persuading the Japanese to eat wheat. In answer to the Vice President's question regarding the impression Magsaysay made on the other people at the Manila meeting, Secretary Dulles said that he saw more of Magsaysay than the others, who did not get a chance to have an adequate impression. Secretary Dulles said that Magsaysay had told him how he, Magsaysay, had dealt with the Communists, and that it would make your hair stand on end.

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[5] Since 1953 Gen. John E. Hull had been Commander in Chief, United Nations Command; Commander in Chief, Far East Command; Commanding General of U.S. Army Forces in the Far East; and Governor of the Ryukyu Islands.

The National Security Council:

Noted an oral report by the Secretary of State regarding the signing of the Southeast Asia Treaty and his visits to Formosa and Japan.

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JAMES S. LAY, JR.

396.1 MA/9-1454: Telegram

The Ambassador in Australia (Peaslee) to the Department of State

TOP SECRET CANBERRA, September 14, 1954—6 p.m.

105. Eyes only Secretary. Reference Department telegram circular 138, September 13 [1] and Manila's unnumbered September 8, 6 p.m.[2] and 10 p.m.[3]

Have seen Prime Minister twice, also Spicer, Attorney General and Acting Minister External Affairs, since delivery your personal message.

Prime Minister indicated that his dissatisfaction, shared by many Cabinet members, re Manila proceedings was not directed against US delegate as much as against certain of Australian delegates who, he said, had failed from outset to understand Cabinet's wishes, namely that Australia was to support US consistently, although Cabinet had no objection to minor efforts to help Colombo powers if that could be done without countering US desires. Instead of doing that, according to both Prime Minister and Spicer, Casey made himself chief champion of effort to eliminate word "communism".

Prime Minister said he was annoyed at last minute time pressures but Casey did not heed original instructions, that the Prime Minister later tried to make clear by telephone, [*sic*] and finally "I sent him a stinker".

Prime Minister and Spicer now really worried about Australian position and form of their ratification. They appreciate possible future embarrassments from omission of the word and would like, I think, to make similar reservation in their ratification unless you very seriously object. They may do so anyway.

Can give you further background if desired while I am in US on brief leave contemplated beginning September 26.

PEASLEE

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[1] Not printed.

[2] *Ante*, p. 899.

[3] *Ante*, p. 900.

790.5/9-1554

Memorandum by the Counselor of the Department of State (MacArthur)

TOP SECRET [WASHINGTON,] September 15, 1954.

Subject: Follow-Through on Manila Pact

1. During informal discussions with other Delegations at the Manila Conference, it became quite clear that they were all apprehensive in varying degrees as to what the US contemplated in terms of implementing the Southeast Asia Treaty. It was also apparent that they were fearful that the US might view the Treaty as an end in itself and might not wish to agree to steps which would make it a living reality rather than what one Delegation termed "a mere scrap of paper". The view of the other seven treaty signatories is that the US took the leadership in working out the Treaty, and therefore they are looking to us to show leadership in implementing it and seeing to it that it becomes a living thing.

2. There are several points on which we must expect our other Manila Pact partners to query us on in the next two or three weeks. These are:

a. When the Council should hold its first meeting;
b. Level of representation;
c. Where the Council should meet;
d. How, organizationally, we envisage implementing Article V of the Treaty providing for military and other planning;
e. Economic cooperation as provided in Article III.

3. The following considerations seem pertinent with respect to the above five points:

a. *First meeting of the Council.* The first question which arises with respect to this point is whether the Council should meet before or after entry into effect of the Treaty. Since the necessary ratifications to bring the Treaty into effect will probably not be completed for six to eight months, should the US take the position that there should be no Council meeting until after entry into effect of the Treaty, its Manila partners would most certainly view this with alarm and as tending to confirm their suspicion that we did not intend to breathe life into the Treaty. Therefore, it seems most important, if other of our Manila partners suggest an early meeting of the Council, that we take a positive approach by suggesting a first Council meeting perhaps about mid-November. This would give two months in which to shape our own ideas and to consult with our other Treaty partners regarding possible organizational arrangements.

b. *Level of representation at first meeting.* In view of the desperately heavy demands on the Secretary's time, particularly with respect to the critical situation in Europe which will probably require his presence in Europe in September–October and again early in December for the NATO Annual Review, [1] it would not seem feasible to contemplate having the Secretary attend the Council meeting. Furthermore, the same considerations would probably govern with respect to the Foreign Ministers of Britain and France. In the light of these considerations, it would seem appropriate, and I believe would be understood by our Asian partners, for the Under Secretary to represent the United States.

c. *Place of meeting.* Psychologically, it seems very important that the meeting be held in the Treaty area. Bangkok would be a logical place. Not only should such a meeting strengthen the Thai Government, but it should also give the people of Thailand, who are directly threatened by subversion, a feeling of confidence which should strengthen their will to resist Communist infiltration and subversion. Furthermore, Thailand is an Asian partner.

d. *Organizational arrangements to implement Article V.* This presents a difficult problem in terms of presenting the US in a role of constructive leadership. On the one hand, security considerations would inhibit our ability to get into detailed war planning on an eight-nation basis. On the other hand, any indication to our Asian partners that the white members of the Manila Pact are engaging in secret military planning under the Treaty, to the exclusion of the Asian Members, would have the most profound political and psychological repercussions and might result in the disintegration of the Manila partnership. The Western nations would certainly be charged with undertaking planning to the exclusion of the Asians with the purpose of using Asian bodies as cannon fodder in any hostilities.

What seems to be required is some arrangement of an *ad hoc* nature whereby military planners of the eight powers could meet together from time-to-time to exchange intelligence information, to effect such coordination and exchanges of views as might be appropriate in the logistical field, and perhaps to engage in other general military planning of a non-Top Secret character, including training and the establishment of a security system for information and documents. On the side, perhaps using the ANZUS framework, any secret military planning or exchanges of views which seemed desirable from the US viewpoint might be undertaken with the UK also included. It would be imperative, however, that this type of activity, under the ANZUS or any other limited umbrella, not be related under the Manila Pact in any way which might become public. In order for us to have the other Manila powers agree to the type of planning and organizational arrangements which we wish, it would seem essential that these four powers take at least more or less the same position. In this connection, it might also be possible for our US military people in the Philippines, Thailand, and Pakistan to influence the military of these three countries in the direction of our own thinking prior to a Council meeting.

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[1] Dulles arrived in Paris on Dec. 15 to attend the Fifteenth Ministerial meeting of the North Atlantic Council, Dec. 17-18. The Secretary arrived back in Washington on Dec. 20. For documentation on this meeting, see vol. v, Part 1, pp. 549 ff.

Finally, it is quite clear that the earnest of our sincerity in implementing the Manila Pact will be judged by our other partners in light of our willingness to set up some sort of military planning arrangements of a constructive nature.

e. *Economic Cooperation as provided in Article III.* Regarding economic cooperation, it is important that the US develop a position in the light of present studies which are taking place within the US Government, and taking into account such views of the Members and other Asian countries as may be ascertained at the Ottawa meeting of the Colombo Plan powers, and through diplomatic channels.

790.5/9-1654

The Acting Director of the Office of Northeast Asian Affairs (McClurkin) to the Ambassador in Japan (Allison)

TOP SECRET [WASHINGTON,] September 16, 1954.
OFFICIAL-INFORMAL

DEAR JOHN: We understand that the pertinent sections of NSC 5429/2, Review of United States Policy in the Far East, which was approved by the NSC on August 20, [1] are being transmitted under separate cover. Nevertheless, we believe you should have a little more of the background on the preparation of the paper and, in particular on Section II, 2 d, which reads that the United States should "encourage the conditions which will make possible the formation of, and be prepared to participate in, a Western Pacific collective defense arrangement, including the Philippines, Japan, the Republic of China, and the Republic of Korea, eventually linked with the Southeast Asia security structure and ANZUS".

NSC 5429/2 represents the Planning Board's response to a directive from the President to prepare, before his departure for Denver, a review of the main features of our Far Eastern policy in the light of the outcome of the Geneva Conference. The paper was hastily executed and shows it. The most that can be said for the final paper is that it is some improvement over the original draft which was universally condemned as giving inadequate consideration to the major issues that face us in the Far East today. The paper in other respects is perhaps more realistic, as for example where it recommends the encouragement of an organization for Asian economic development, the negotiation of a Southeast Asia Pact and necessary *ad hoc* courses of action with a view to strengthening Laos, Cambodia and South Vietnam against Communist pressures.

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[1] *Ante*, p. 769.

Returning, however, to the point raised in the first paragraph, the original State draft of July 30 [2] read: "Encourage these countries (Republic of China, Japan, Republic of Korea and Philippines) to consult with one another and with us with respect to the formation of a Western Pacific collective defense arrangement to parallel and perhaps eventually be linked with the Southeast Asia defense arrangement."

As though this were not unrealistic enough the Planning Board (August 3) improved upon it so as to read: "Encourage (with State proposing the insertions of 'as feasible') the formation and be prepared to participate in a Western Pacific collective defense arrangement, including the Philippines, Japan, the Republic of China, and the Republic of Korea, eventually linked with the Southeast Asia security treaty and ANZUS". [3]

The language quoted in the first paragraph of this letter represents the final, more realistic policy and one which represents a considerable victory for us in NA. I am not sure to what extent your reaction to the United Press's version of the Secretary's press statement on August 3 (your telegram 270) [4] influenced the final decision. I can assure you your views coincided fully with ours.

Even the final language is to be interpreted with moderation. There is no question that the conditions making possible formation of a Northeast Asian pact (or perhaps better, a "horizontal" Western Pacific pact) require a greater sense of interdependence in the area than presently exists. The Secretary, of course, fully appreciates this. Until the Japanese are themselves ready to engage in such a pact, until Japan–Korea relations are placed on a more constructive foundation and until the reparations problem is settled between Japan and the Philippines, it is impossible to foresee any real sense of interdependence or to think of a security organization in the area. The long-term objective simply highlights the necessity of solving these immediate problems.

I hope the foregoing views shed some light on the paragraph in question, for reading it in the cold light of day without a little background might give you the impression that we are embarking on a more ambitious course than actually contemplated.

Sincerely yours,

ROBERT J. G. MCCLURKIN

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[2] Not printed. (Enclosure to memorandum from Lay to the Planning Board dated July 30; S/P–NSC files, lot 62 D 1)

[3] Not printed. (Draft dated Aug. 2, attached to covering memorandum dated Aug. 3 from Lay to the Planning Board; S/P–NSC files, lot 62 D 1)

[4] Dated Aug. 4, p. 694.

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

TOP SECRET [WASHINGTON,] September 17, 1954—11:30 a.m.

[Here follows a list of persons present (28). Of the Chiefs of Staff, only Admiral Radford and General Twining attended. MacArthur led the Department of State group. Gleason attended for the NSC Staff, and General Cabell and Robert Amory, Deputy Director for Intelligence, represented the CIA.]

1. Brief Review of the Manila Conference

Mr. MacArthur opened the meeting by giving the JCS a brief review of the Manila Conference, emphasizing State Department appreciation of the helpful role of the Defense Department representatives. He touched on the main difficulties faced by the US at the Conference: The desire for a precise definition of the type of aggression, that is, Communist aggression, which the US considered to be covered by the treaty; and the area covered. He referred to the problems inherent in developing the Manila Charter, and the statement regarding anticolonization; and to the developments with respect to the "Understanding of the U.S.A."

Admiral Radford inquired if there had been any trouble in getting agreement for the Charter. Mr. MacArthur indicated the differences of view as between the Colonial and Asiatic powers on this subject.

With respect to Article 5, Mr. MacArthur outlined the problems concerned with the formula setting up the machinery for the operation of the treaty. He said that it was his feeling that we would very soon be approached by other signatories to implement Article 5, which would be considered a test of the Treaty, and that we must be sure that we know where we stand.

Admiral Radford inquired if this meant that we were to take these steps to implement the terms of the treaty even before it was ratified. Mr. MacArthur said that as far as the setting up of a council was concerned, this was so.

Admiral Radford then asked what we had to do in order to prepare for these preliminary talks. Admiral Davis indicated that ANZUS would serve us as a guide.

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

Reference was made to the fact that Australian Foreign Minister Casey was in Washington, and that he planned to talk to Admiral Radford. There was discussion on the security angle of such talks, and of the need to avoid any appearances of favoring the white, or Colonial, powers against the Asian. In this connection, Admiral Radford referred to the 5-power talks on Southeast Asia which have been taking place from time to time (Australia, New Zealand, France, United Kingdom and the United States), and it was agreed that it would be unwise to continue holding these talks at the present time.

Admiral Davis suggested that the U.S. check with the UK in a discreet, preliminary way on our mutual position with respect to Article 5 of the Manila Pact. Mr. MacArthur agreed, but added that we should also probably have some preliminary talks with Australia and New Zealand as well. To this Admiral Radford countered that it was more essential that we coordinate our position with Australia and New Zealand, who are much closer to us on these matters, than are the British.

Mr. MacArthur informed the JCS that any inquiries that we received on this subject through diplomatic channels would be co-ordinated with Admiral Davis; and he asked the JCS to inform the Department of State if similar information came to their attention through military channels. Admiral Radford agreed.

[Here follows discussion of Korea, Indochina, and MEDO.]

B. Australian Suggestion for Setting up Direct Representation of the Joint Chiefs of Staff, With Reciprocal Arrangement for the Australians in the U.S.

Admiral Radford said that he had received a personal communication from Sir Frederick Shedden, Permanent Chairman of the Australian Defense Committee, asking for the Admiral's views on the idea of setting up in Melbourne a direct representation of the U.S. Joint Chiefs of Staff, with a reciprocal arrangement for the Australians in the U.S.

Admiral Radford indicated that he was opposed to setting up any such organism, which could only lead to complications posed by probable request for similar representation from the Philippines, from New Zealand and from other countries. He indicated that he intended to inform Sir Frederick in this sense and that, although he did not believe there would be any further action necessary on this matter, nevertheless he felt that the State Department should be informed.

790.5/9-2254

Memorandum of Conversation, by Jack K. McFall, Adviser on European Affairs to the United States Delegation to the United Nations General Assembly [1]

SECRET NEW YORK, September 22, 1954.

Subject: Discussion on ANZUS and SEATO

Participants: R.G. Casey—Australian Minister of State for External affairs
The Secretary
Ambassador J. K. McFall—USGADel

Mr. Casey called on the Secretary this morning and discussed with him his views on the extreme desirability of a certain system of military planning being inaugurated as a feature of SEATO. He discussed his plan in detail indicating that he had covered the same subject in separate conversations with Under Secretary Smith, Admiral Radford, Prime Minister Churchill and Chief of the Imperial General Staff, Field Marshal Harding. Casey stated that he had received approbatory comments on the idea from three of the above named, but Admiral Radford did not evince any interest therein.

At the conclusion of Casey's presentation, the Secretary replied that he believed the suggested plan possessed merit.

As the Secretary accepted Casey's suggestion that he, Casey, send him a private and personal letter [2] setting forth in detail the entire plan as he had explained it in this conversation, it was agreed with Mr. O'Connor that the subject matter thereof will not be covered in this memorandum.

After the Secretary explained that under the most favorable circumstances it would not be possible to secure Senate ratification of the SEATO agreement until late February, Casey suggested that a meeting of the signatory countries to be held in the Southeast area "perhaps in November" to "keep the idea moving and give it new breath" would be desirable. The Secretary agreed in principle with this thought and then mentioned his view that some way must be found whereby foreign affairs could be conducted without the necessity of the Secretary of State attending so many meetings held in various areas of the world. The Secretary pointed out that the carrying of this burden was becoming unbearable because of sheer physical limitations and that much as he should like to attend such a meeting (which he thought was a good idea), he could not make any commitment now. Casey then suggested that it would be helpful if it were to be made to appear that the Secretary would attend such a meeting and then, at the last minute, some valid excuse could be offered which would make his attendance impossible.

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[1] McFall was also Ambassador to Finland.

[2] Not found in Department of State files.

The Secretary, in developing his thought on the demands made on his time, moved to a more general observation on the lack of organization in our democracy to deal efficiently with "fighting a cold war". He recalled his first attendance at an international meeting—The Hague Convention of 1907—at which time all of the "niceties" of fighting a war were discussed, and that up to the end of World War II, it was just a question of us being either at peace or at war. If we were at war, everyone pitched in [and] did his part regarding it somewhat in the nature of a "glorified game". When we were not at war no one worried much about anything. Now, however, we are confronted with a situation where the USSR has, in the Communist Party, a really effective mechanism for fighting a cold war, while we have no similar organization to counter it. He pointed out that the planning of the Defense Department was directed primarily at an all out war—the CIA to "gathering information" and no organization of ours existed really to put forth a continuing, sustained effort in the cold war arena. The Secretary said that while he was confident that the military branch had plans to fight an all out war, the difficulty arose that in this era of neither war nor peace there were political decisions called for which sometimes involved military cooperation if not some military participation that might determine whether we do or do not have to fight a hot war. He observed that just the show of the American flag or a few soldiers at the proper place, at the proper time, might have a profound effect on the preservation or improvement of our position. It was in this field, he said, that the military did not seem to grasp the significance of our efforts or fully to understand the relationship of what we plan and do today in the many areas of the world as it relates to the question of whether we keep out of war or fail in that effort. He said he perhaps should not blame the military as such, however, as they were paid to be prepared to fight and naturally their major interest should be on preparation for that contingency. He added that he assumed this same problem was faced in greater or less degree by all the free world countries.

Mr. Casey asked the Secretary whether in his busy schedule it might be possible for him to have a half hour to talk with himself and Ambassador Munro of New Zealand on ANZUS matters. The Secretary replied that he was going to Washington tomorrow right after his address before the General Assembly of the UN and then to Europe, but that he saw no reason why a discussion couldn't be arranged in Washington after his return from Europe.

In the course of conversation, Mr. Casey made reference to "my reservation on that matter that we had discussed with Menzies" and he asked the Secretary if he had any comment that he could communicate to Mr. Menzies on the subject. (The only clue as to what this "matter" was may be found in the reply made by the Secretary.) The Secretary replied that when he discussed with Mr. Eden the question of the position that should be taken on the type of aggression to which SEATO arrangements should be directed against, it was pin-pointed to that of Communist aggression. He said, however, that it subsequently developed that Eden had not thought the matter fully through from the British standpoint. The Secretary added that he thought it should be understood that we regard SEATO in the nature of a regional pact and that if the group in the region wished to broaden, by agreement among themselves, the nature of aggressive designs against which it wished to array itself, that might possibly be done. The United States interest in the area, however, was in stopping the aggressions of international communism. If the SEATO countries wished to go further they could then properly act as a regional group. The Secretary mentioned that there would probably be some difficulties with Pakistan, Great Britain and France in this connection. Mr. Casey thanked the Secretary for that observation which he said he would transmit to Prime Minister Menzies.

The Secretary also took occasion to mention that he had received some disquieting information that the French in Indo China may be playing with the Viet Minh. [3] He was not sure whether this development involved high officials or only those on a lower level. This led to another observation on his part that in his recent trip to Europe he had encountered a large measure of distrust of Mendes-France, particularly in Italy and in France. (He specifically mentioned Monnet [4] as being disturbed.) He said Adenauer [5] did not fully share this distrust but rather thought Mendes-France was playing the role of a typical French politician and was trying to maneuver in a way that would redound to the benefit of Mendes-France.

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[3] For documentation, see vol. XIII, Part 2, pp. 2034 ff.

[4] Jean Monnet, President of the High Authority of the European Coal and Steel Community.

[5] Konrad Adenauer, Chancellor of the Federal Republic of Germany.

790.5/9-2354

Memorandum of Conversation, by Jack K. McFall, Adviser on European Affairs to the United States Delegation to the United Nations General Assembly

SECRET [NEW YORK,] September 23, 1954.

Subject: Discussion on SEATO and ANZUS

Participants: Ambassador Munro—New Zealand
Mr. Foss Shanahan—Deputy Secretary of External Affairs of New Zealand
The Secretary
Ambassador J. K. McFall

I attended a meeting of the above at the Secretary's suite at the Waldorf at 10 A.M. September 23rd. As Munro and Shanahan had come to their appointment a few minutes early, they were in conversation with the Secretary when I arrived. The following paragraph represents, therefore, their statement to me, subsequent to the meeting, as to the conversation that had taken place prior to my arrival.

Ambassador Munro opened the conversation by saying that he had heard of Australian Secretary of State for External Affairs Casey's visit to the Secretary the day before and he wished the Secretary to know that he was familiar with the details of the Casey plan which had been outlined to the Secretary and while he had not yet had an opportunity to give it any extensive study, he believed, in principle, that it possessed merit. He had hoped, therefore, that some occasion could be arranged in the near future for a more extensive exploration of the idea. He stated that in his view both SEATO and ANZUS could be given greater vitality by more forward planning and, inasmuch as public opinion in New Zealand was all behind the idea of these two pacts, his country was prepared to move forward in any agreed way that would serve to breathe vitality into these instruments. (At this point, I entered the room and audited further discussion.) Ambassador Munro asked the Secretary, then, what his ideas were about further implementation of SEATO and specifically what his reactions were to the Casey proposal. The Secretary replied that, inasmuch as Casey had only presented his ideas to him the previous day, he had had no opportunity to think them through. The Secretary suggested that Munro and Shanahan might both profitably talk with Doug MacArthur about the idea.

The Secretary then proceeded to develop the matter of his concern with the situation developing in the Far East. He pointed out the unsatisfactory state of affairs in Indo China, repeated his suspicions of the French activities in Vietnam (see page 3, paragraph 2 of my memorandum of conversation dated September 22, 1954 between the Secretary and Mr. Casey)[1] and suggested that it appeared that the French were about to "pull the rug out" from under Diem because he was not French-minded enough. He adverted to the fact that the French were still insisting that we pay French troop costs in Indo China and that any financial aid to the Vietnam government should be channeled through the French. He said that if we did not continue to pay the costs of the French troops, they would probably be withdrawn and a dangerous vacuum created.

This pointed up, the Secretary said, that we have not thought through what we do if Indo China is lost and the processes of disintegration then sets in in Indonesia—an area of crucial importance—important to New Zealand and Australia immediately because of their then being placed at once in the path of further communist aggressive design, and important to the U.S. as establishing an unfriendly base that would impede our Pacific Ocean operations and defense. What we do to deal with this aggressive communism that continually casts its shadow before, is, therefore, of prime importance. The forthcoming elections in Indonesia hold the seeds of possible serious trouble. Terrorism may well take place with the communists the beneficiaries and then what do we do? Munro suggested that he believed the key to that situation lay in the direction of working much closer with the Moslems in that country, although admitting that the fact that they were of the extreme right in political complexion did not make the suggestion easier of accomplishment. The Secretary replied that it was in just such instances as this that the need was pointed up for the President of the United States to have in his possession powers to act in order to save deteriorating situations by taking actions short of war. The Secretary then again discussed the question which I reported in detail in the memorandum of conversation of the previous day with Mr. Casey. (See page 2, paragraph 2 of this memorandum dated September 22, 1954.) That we were still thinking too much in the terms of Grotius[2]—of outmoded Hague Conventions—of a bugle sounding to call the opposing forces to battle—and were not devoting our every energy and thought as we should to how we gear our government to meet the new and unique challenge presented by the modern day concepts and realities of a cold war.

Ambassador Munro asked the Secretary whether the United States had any idea of committing any United States troops specifically to defense purposes envisaged by SEATO. The Secretary replied that it was not our intention specifically to so dedicate any of our troops or to dispose them just to serve the ends of SEATO. Rather we were endeavoring to centralize our troops dispositions (Japan and Hawaii we mentioned as groupment areas) and thus maintain a fluidity of approach in meeting any situation of danger that might arise in the Far East area. The withdrawal of our troops from Korea was in consonance with that concept. The Secretary then asked how New Zealand regarded their military obligations to SEATO in the light of their commitments to the U.K. for military assistance in the Near East. Mr. Shanahan answered this question by saying that he did not regard this question as one presenting any difficulty that couldn't be solved. He said that the 1949 agreement with the U.K. called for New Zealand military support in the Near East conditioned upon no major change in the general strategic situation in which New Zealand were to find herself. Shanahan intimated that he believed there had indeed been a change in the general strategic situation since 1949 and that, therefore, if future military planning under SEATO were to call for military commitments in the Far East area in conflict with responsibilities of the 1949 agreement, then New Zealand would be entirely justified in assuming her new responsibility and would not anticipate any serious trouble in making her position understood.

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[1] *Supra.*

[2] Hugo Grotius (1583–1645), Dutch jurist and theorist of international law.

The Secretary then mentioned the question of ratification of SEATO by the participating governments and gave it as his opinion that probably only Pakistan might demur at ratification. The Secretary added that he believed some kind of a temporary council meeting of the SEATO powers before the year is out would be profitable for all concerned.

Ambassador Munro said he believed an ANZUS meeting sometime in the near future, with the British present again as observer, would be desirable. The Secretary suggested that that subject be explored with Doug MacArthur in Washington. Munro and Shanahan agreed to do this.

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790.5/10–154

Memorandum of Conversation, by the Counselor of the Department of State (MacArthur)

CONFIDENTIAL [WASHINGTON,] October 1, 1954.

Subject: Follow-up on Manila Pact

Participants: Mr. Foss Shanahan, Deputy Secretary for External
Affairs, New Zealand
Mr. MacArthur

Mr. Shanahan called on me this morning at his request. He said he would like to discuss very informally the follow-up on the Manila Pact. He made the following points:

1. While there should most certainly be an interim meeting of the Manila Council before the Treaty is ratified and enters into effect, the important thing, before fixing a date, is to know what we want to come out of such a meeting with. An interim Council meeting would probably be concerned primarily with discussion and agreement on organizational arrangements, particularly military planning, and therefore it is important to reach some conclusions with respect to the organization to conduct such planning, before an interim Council meeting is held. Similarly, there should be adequate homework done in advance on the subject of any organizational arrangements on the civilian side under the Council.

2. Contrary to the impression given by the New Zealand Embassy here, the Government of New Zealand is not pressing for a meeting of the Council before the first of the year. In view of the New Zealand elections about mid-November and a reorganization of the government following such elections, it would be difficult, if not impossible, for New Zealand to attend a November meeting. Mr. Shanahan mentioned that with Mr. Webb giving up the portfolio of foreign affairs there would be a new Foreign Minister, and whoever he was he should have some time to familiarize himself with the more detailed aspects of some of the problems. Mr. Shanahan recognized that December was a bad month because the British, French, and US would be involved in a NATO meeting, and because of Christmas. While not suggesting January specifically, he thought personally that a meeting in January might be a possibility. He stressed that this was purely a personal view.

3. With respect to preparing for any interim Council meeting, Mr. Shanahan said he thought it was important for the US, Australia, and New Zealand quietly to exchange views in advance so that they would be in pretty solid agreement. He felt strongly that it would be unhelpful with respect to ANZUS and the Manila Pact if the US, Australia, and New Zealand did not go into an interim meeting with very similar ideas on the objectives of such a meeting and also agreement on the kind of organizational arrangements for conducting appropriate military planning.

. . . .

5. Mr. Shanahan referred to the conversations which Secretary Dulles had with Mr. Casey [1] and with Ambassador Munro and himself in New York last week. [2] He said the Australians and New Zealanders had proposed an ANZUS meeting in October before they return to their respective countries, and had suggested as possibilities the dates of October 11 or 14. Mr. Shanahan recognized that no date could be fixed until the Secretary returned and that

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[1] See McFall's memorandum of the conversation held on Sept. 22, p. 915.

[2] See the memorandum of conversation, *supra*.

such a date would depend on his plans, but expressed the strong hope that such a meeting could take place. Primarily, the Australians and New Zealanders felt, such a meeting should be devoted to a discussion of organizational arrangements under the Manila Pact to implement military planning.

6. He said also that both the Australians and New Zealanders attached greatest importance to ANZUS and would not wish to have any organizational arrangements under the Manila Pact supersede adequate arrangements for appropriate military planning and exchange of views under ANZUS. He said there had not been much military planning under ANZUS since the arrangements which had been agreed in the military sphere had been superseded by studies of the so-called Five-Power Staff Agency. With the conclusion of the Manila Treaty, the Five-Power Staff Agency was obviously and appropriately no longer in existence. What he hoped was that there could be appropriate military planning and exchanges of views under the arrangements agreed in ANZUS.

With respect to the above points, I informed Mr. Shanahan that the US had also envisaged an interim meeting of the Manila Pact Council prior to the entry into effect of the Treaty. We recognized that November was out of the question for New Zealand. Similarly, the Month of December, in view of NATO activity and Christmas, would make it difficult if not impossible from the US viewpoint. The thought [*month*?] of January would thus seem to be about the earliest feasible date. I said there was no US position on the date of such a meeting, but that personally those of us in the Department who had been giving thought to this matter had also thought the first half of January would be a reasonable time.

I said we had also given thought to the place of such a meeting, and had felt strongly that it should be in the area. Thailand because of its exposed position would seem to be appropriate. I stressed to Mr. Shanahan that we had not mentioned the idea of Thailand to any of our other Manila partners, but that this was what we had in mind. Mr. Shanahan said he fully agreed personally and thought the impact on Thai public opinion would stiffen their will to resist Communist infiltration and subversion.

I undertook to check with Secretary Dulles following his return from London as to the possibility of an ANZUS meeting. Mr. Shanahan said it could be held in Washington, New York, or at any place or time convenient to the Secretary, but mentioned that Mr. Casey would be returning to Australia just after the middle of October and that he himself would also be obliged to return to New Zealand at about that time.

With respect to organizational arrangements to conduct military planning, I said this matter was receiving consideration in the Department of Defense. However, I had not been in direct touch with the people in Defense who were working on the problem.

I agreed with Mr. Shanahan on the desirability, if not necessity, for the US, Australia, and New Zealand to have a common approach to the problems which would be discussed at any interim Council meeting and said that I felt informal private exchanges of views prior to any such meeting were most important.

State-JCS Meetings, lot 61 D 417

Memorandum on the Substance of Discussions at a Department of State–Joint Chiefs of Staff Meeting [1]

[Extract]

TOP SECRET [WASHINGTON,] October 1, 1954—11:30 a.m.

. . . .

ANZUS Meeting

Mr. MacArthur said that he had been approached by Mr. Foss Shanahan, Deputy Secretary of External Affairs of New Zealand, who is now in New York, regarding the possibility of having an ANZUS meeting somewhere around October 11 or October 14 in order to discuss the organization to be set up under the Manila Pact. It was Mr. Shanahan's opinion, Mr. MacArthur added, that the Manila Pact organization would not supersede the ANZUS setup.

Mr. MacArthur stressed that the Secretary wanted the benefit of JCS views on these matters prior to the projected ANZUS meeting.

Admiral Radford indicated that Australian Foreign Minister Casey had talked to him on this general subject. Prime Minister Menzies, the Admiral added, indicated that the Australians thought that the Manila Pact involved indicating to the Australians that forces which she was expected to raise. The Admiral said that, of course, this was not the case. With respect to NATO, where a definite military organization had been set up, that was a global pact. The Manila Pact, however, was a regional one, and a complicated military organization in being was not envisaged.

As a matter of fact, the Admiral added, the whole question of military planning in the Pacific was a political one. There was little such planning that we could do, the Admiral emphasized, until the US and the UK, on a governmental level, coordinated overall policy in the Far East. This, the Admiral said, was the $64 question which had to be answered before any more specific military matters could be resolved.

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[1] A note on the title page reads: "State Draft. Not cleared with any of the participants."

Of the Chiefs of Staff, Admiral Radford and Generals Twining and Ridgway attended. Murphy led the Department of State group. General Cabell and Amory represented the CIA, and Gleason attended for the NSC Staff. Altogether, 32 persons were present.

The Admiral agreed to make a copy of his memorandum of conversation with Foreign Minister Casey available to the Department,[2] and stated further that the JCS would work up a position paper on the question raised by Mr. MacArthur as soon as possible.[3]

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[2] Not found in Department of State files.

[3] See the position paper entitled, "Military Machinery Under the Manila Pact", dated Oct. 8, p. 936.

S/S-NSC files, lot 63 D 351, NSC 5429 Series

Memorandum Prepared for the National Security Council[1]

CONFIDENTIAL [WASHINGTON,] October 1, 1954.

Note on Revision of Annex A to NSC 5429/2

1. At its 215th Meeting[2] the NSC noted that the information as to dollar amounts of Far East programs included in Annex A to NSC 5429/2 was generally out of date.

2. When the Planning Board undertook to revise Annex A, it found that at this time (a) it was not practicable to prepare the usual type of Financial Appendix (showing funds available and expenditures) for NSC 5429/2, and (b) even meaningful program information could not be presented; for reasons, the most important of which are:

a. Discussions are currently under way with the French and Associated States with respect to the revision of military and economic assistance programs for the Associated States, directly or through France. It is also not yet known how much of the military supplies and equipment already provided to the Associated States through France will be recaptured by the U.S.

b. The uncompleted portions of world-wide military assistance programs for FY 1954 and prior years are now being reviewed and revised to reflect the major changes in Country programs, and shifts in funds from military to economic assistance, which have taken place during FY 1954 but which were not reflected in this year's Congressional presentations. This review will take about a month to complete. The development of the FY 1955 military assistance programs is dependent upon completion of this revision of FY 1954 and prior year programs.

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[1] The source text is attached to Annex A to NSC 5429/2, Aug. 20, p. 774. This memorandum apparently was prepared by the NSC Planning Board.

[2] Held Sept. 24. 1954. Discussion of this subject is not recorded in the memorandum of discussion at the meeting. (Eisenhower Library, Eisenhower papers, Whitman file)

c. Planning for the forces for Korea, Japan, Formosa and the Philippines has been held up awaiting the report and recommendations of General Van Fleet.[3] His recommendations were formally submitted to the Secretary of Defense on September 30, 1954, and will be reviewed and taken into consideration in the planning for FY 1955 and beyond.

d. For the first time funds for military assistance have been made available by Congress on a world-wide basis. As a result of Congressional action, the total amount available for military assistance programs is less than was requested in this year's presentation to Congress. Programs for the Far East can be shaped only in relation to world-wide programs, and cannot be fully shaped until such questions as the fact and rate of German rearmament are more definitely answered.

e. Under the Appropriation Acts for 1955 the amounts of unexpended funds to be available in FY 1955 are not yet precisely known. This is due to the fact that funds to be available include funds to liquidate existing obligations but only after those obligations have been examined and certified as meeting certain new legal requirements established by statute.

3. While it *is* certain that considerable modifications will take place in the amounts shown in Annex A, it is not possible at this time to estimate whether the total shown for FY 1955 will increase or decrease. It is probable that the amounts shown for *every* country listed in Annex A will be modified.

4. As soon as reasonably possible, a Financial Appendix in normal form (showing funds available and expenditures) will be submitted to the Council.

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[3] The "Report of the Van Fleet Mission to the Far East", submitted to the President through the Secretary of Defense on Sept. 30, is not printed. (Attachment to covering note, dated Oct. 7, from Maurice W. Roche, Administrative Secretary to Secretary Wilson, to the Secretary of State; 611.90/10-754) For a memorandum concerning the Van Fleet report from Robertson to Dulles, dated Oct. 25, see p. 953.

Editorial Note

In his memorandum of a meeting on October 5 between Dulles and Stassen, Nolting summarized the discussion of Asian economic questions as follows:

"The Secretary raised the question of the position the US Delegation would take at the Colombo Conference at Ottawa concerning a regional economic grouping and program of Asian countries. He stressed the desirability of including Japan; he agreed that the matter could be explored at Ottawa on a tentative basis without US commitment; and he emphasized that it would be unwise to raise the hopes of countries in the area in the matter of US financial contribution beyond what is realistic in terms of our present appropriation and likely future Congressional action. Governor Stassen agreed. He said that his general concept was that the soundings to be taken with the nations of the area should result in an initiative and a proposal by them of a character to which the US could favorably respond. He mentioned the possibility of his taking a trip to the area together with State and perhaps Treasury representatives the latter part of this year for the purpose of making such exploratory soundings. The Secretary indicated agreement to this line of thinking." (Secretary's Memoranda of Conversation, lot 64 D 199)

The Ottawa meeting of the Consultative Committee for Economic Development took place October 4-9.

A press release, dated October 8, of a statement made at Ottawa by Stassen follows:

"I am here to confirm the friendly and substantial interest of the United States in the Colombo Plan. I am here primarily to listen rather than to speak. The Government of the United States welcomes the suggestions of the members of the Colombo Committee on the methods and means by which we can continue to cooperate with increasing effectiveness in the splendid objectives of the Plan. It is our intention to devote a portion of savings which arise from the ending of the Indochina war to the projects within the Colombo Plan in accordance with President Eisenhower's broad and humanitarian policies.

"The Colombo Plan, midway in its first six year phase, has resulted in a significant improvement in the standards of living of many millions of people of Asia.

"Millions of men and women and children are better fed and better clothed than they were when the first Colombo Plan session was held in 1950.

"Many additional thousands of children have entered the schoolhouse doorway to personal opportunity. Vast numbers have travelled the path of literacy to a fuller participation in life.

"Millions are enjoying better health. Millions have new hope in the future.

"It is a success.

"But much remains to be done." (890.00/10-854)

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 216th Meeting of the National Security Council Held on Wednesday, October 6, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at the 216th meeting of the Council were the Secretary of State, presiding; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Item 4); the Director, Bureau of the Budget; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chairman, Joint Chiefs of Staff; the Chief of Staff, U.S. Army; Admiral Duncan for the Chief of Naval Operations; the Chief of Staff, U.S. Air Force; General Twining for the Commandant, U.S. Marine Corps; the Director of Central Intelligence; the Assistant to the President; Robert Cutler, Special Assistant to the President; Robert R. Bowie, Department of State; the Executive Secretary, NSC; the Deputy Executive Secretary, NSC; the Coordinator, NSC Planning Board Assistants.

Following is a summary of the discussion at the meeting and the main points taken.

. . . .

3. Review of U.S. Policy in the Far East (NSC 5429/2; NSC Actions Nos. 1148 and 1206; [2] Note on Revision of Annex A to NSC 5429/2, dated October 1, 1954) [3]

Mr. Cutler reminded the Council of the necessity of developing courses of action to carry out paragraph 3 of the review of Far Eastern policy (NSC 5429/2), which called for the formation of an economic grouping of the free Asian nations. Mr. Cutler went on to say that great emphasis had been placed on such an economic grouping, both by the NSC Planning Board and by the Operations Coordinating Board. No time should be lost in getting ahead with this project, and Mr. Cutler said that the arrangements he was about to propose had been worked out with General Bedell Smith. In short, he was suggesting a high-level committee appointed by the Council to prepare and submit courses of action on the subject, to be submitted through the NSC Planning Board to the Council.

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[1] Drafted by Gleason on Oct. 7.

[2] For NSC Action No. 1148, see footnote 6, p. 537. For NSC Action No. 1206, see footnote 11, p. 756.

[3] *Ante*, p. 924.

Once the Council had approved such courses of action, the OCB would be requested to coordinate the implementation of the approved policy in the usual manner.

At the conclusion of Mr. Cutler's comments, Governor Stassen pointed out that we were already moving ahead in carrying out courses of action with respect to an Asian economic grouping on the basis of the Colombo plan. In accordance with the wishes and guidance of the Secretary of State, we have already succeeded in getting Japan and Thailand admitted to the Colombo plan, and we are already engaged in the process of getting the Philippines in. Thus, while Mr. Cutler's suggestion for an *ad hoc* committee to formulate courses of action was an excellent idea, it would be too bad if progress already made on the basis of the Colombo plan were to be held up pending the development by the *ad hoc* committee of new courses of action.

Mr. Cutler replied that he saw no reason for such a slowing up. The problem was an enormous one, and what we needed to do was to get clearly in mind and in considerable detail just what we proposed to do. Since the matter was also likely to be controversial, he felt that membership should be at the level of Assistant Secretaries.

Governor Stassen thereupon expressed himself as satisfied, and pointed out that it was an OCB working group which had, in the first instance, reached the conclusion that we should go ahead and build our Asian economic program on the Colombo plan. If the new committee simply contemplates parallel action, that was all to the good.

Secretary Dulles also agreed that progress should not stop while the new committee formulated its recommendations. There would, of course, be a lot of programs to deal with Asian economic problems.

Secretary Humphrey said that where we are going from an economic point of view in Asia was a matter of interest to many departments of the Executive Branch. The new subcommittee ought therefore to study the general situation in order to avoid unnecessary duplication. We need not delay what is already going on, but let us not get ourselves tripped up by taking steps at the outset which we will have to disavow subsequently.

Secretary Wilson commented that there was no hurry, in any case, that he could see.

Mr. Cutler then explained again his feeling of the need for a high-level committee as opposed to a mere OCB working group. The new subcommittee could also see to it that there was no delay in the progress which Governor Stassen was already making.

Governor Stassen expressed agreement that Treasury, Commerce and ODM, who were not members of OCB, should be members of the proposed new subcommittee. Moreover, as long as it is clearly indicated that creation of this new subcommittee will not prevent further progress on what has already been begun, the work of the committee could be very useful.

After certain suggestions with respect to the wording of the Council action, Secretary Wilson said that he was enthusiastic about what the United States was trying to do to assist the economies of the free Asian nations and especially to relate the Japanese economy to that of the Southeast Asian nations without political overtones. There were, however, a number of unresolved military problems in Asia. In addition, there was the question as to whether Korea and Formosa were to be included in such a grouping of Asian nations. We do not want to move too fast with Japan, warned Secretary Wilson. Otherwise Japan may go in the neutralist direction. In short, we don't wish to make mistakes in this important area, and creation of this new subcommittee seems a good way to avoid such mistakes.

Mr. Allen Dulles said that he could not understand why it was necessary to substitute a new committee to do this kind of work when the OCB had been designed to accomplish it. Do we have to have a new mechanism every time difficult problems such as these arise?

Governor Stassen inquired whether the objective would be met if it were agreed that we should make no financial commitments respecting the Colombo plan base without the approval of the National Security Council. The initiative in this area has got to come from the Asian nations themselves, and if it is forthcoming the United States will agree to help. On the other hand, Governor Stassen reiterated that he had no objection to the formation of the new committee provided it did not hold up progress already being made on the basis of the Colombo plan.

Mr. Cutler explained again that he had been uncertain as to precisely what the OCB had been doing with respect to this plan, and accordingly he had felt the need for a more widely representative group from all the interested departments and agencies. At least, he said, he knew what the Planning Board and the Council had in mind when they had initially formulated and approved the policy for an Asian economic grouping. Unfortunately, the Planning Board itself did not have the necessary expertise to develop courses of action to carry out this policy.

Mr. Allen Dulles, however, again expressed his conviction that as long as we have an OCB, that body ought to be charged with carrying out such policies and making the necessary recommendations.

Secretary Humphrey insisted that the OCB was an "action committee", whereas the proposed new committee was a "thinking committee". He again said that he had no desire to stop present progress, but wished to be assured that the progress now being made fitted appropriately into military, financial, and other planning with respect to free Asia.

Mr. Hughes said that there were so many budgetary implications with respect to the proposed courses of action that the Bureau of the Budget should be represented on the new subcommittee.

After the Council had agreed to the creation of the *ad hoc* committee and had accepted a statement of its terms of reference, Mr. Cutler said that he wished to move on to the larger consideration of United States policy respecting China and United States policy with resp~~ect to the~~ offshore islands and to Formosa, which were scheduled subsequently on the agenda.

Mr. Cutler pointed out that the courses of action on page 3 of NSC 5429/2 (Review of U.S. Policy in the Far East) were inconsistent with paragraph 10 of NSC 146/2 (U.S. Objectives and Courses of Action With Respect to Formosa and the Chinese Nationalist Government). Moreover, they were not in tune with NSC 166/1 (U.S. Policy Toward China). The courses of action on page 3 of NSC 5429/2 were more belligerent in tone than were the corresponding courses of action in NSC 166/1. After illustrating his contentions by reading the pertinent paragraphs from these policy reports, Mr. Cutler inquired of the Secretary of State whether he was prepared to report to the Council his final decision with respect to U.S. policy toward Communist China called for by NSC Action No. 1206–e.

Secretary Dulles replied that he was not as yet ready to report to the Council the final results of his review of the statement of policy on Communist China contained in NSC 5429/2. He was prepared, however, to make some preliminary comments if the Council thought these would be useful. He added that in so significant a field of policy it was of doubtful value to come to any decision in the absence of the President.

Secretary Dulles then pointed out that paragraph 1–a of the policy on Communist China, set forth on page 3 of NSC 5429/2, read as follows:

> "Reduce the power of Communist China in Asia even at the risk of, but without deliberately provoking war:
>
> > "a. (1) React with force if necessary and advantageous, to expansion and subversion recognizable as such, supported and supplied by Communist China."

Secretary Dulles indicated that he doubted whether paragraph 1-a as read offered a very useful formulation of policy. The word "lawful" should be added alongside of "necessary and advantageous". It was wrong to decide in advance to take bold actions which the Executive Branch cannot carry out without going to Congress. Furthermore, continued Secretary Dulles, any U.S. action based on Formosa is becoming more and more tenuous as time goes on and the Korean armistice continues more or in effect. The continuation of this armistice plainly curbs the freedom of the United States to use its armed forces to protect Formosa and the Pescadores. Also, we should give increasing consideration to the conclusion of a security treaty between the United States and Formosa. A purely defensive treaty would have many advantages. Unfortunately, however, the Chinese Nationalists want to go beyond this to take offensive action against Communist China, and this desire greatly complicates the problem of a security treaty.

In various other areas of the world—Germany, for example—we have tried with some success to impose our view that these nations should not resort to armed force to secure their objectives. We have also been successful so far in the same endeavor in Korea. However, it would be much harder to do this in Formosa, since Secretary Dulles said he doubted if Chiang Kai-shek really wanted a purely defensive treaty covering Formosa.

As to paragraph 1-a-(2), which read: "React with immediate, positive, armed force against any belligerent move by Communist China", Secretary Dulles said he did not know whether this paragraph was supposed to cover the Nationalist-held offshore islands, but in any case he believed that the situation in these islands was not one which called for the use of the armed forces of the United States.

As to paragraph 1-b of NSC 5429/2, which called for the development of political, economic, and military strength of the non-Communist nations, including the military strength of Japan, etc., Secretary Dulles said that he had discussed this matter when he was last in Tokyo. On this occasion he had detected a feeling among the Japanese that we were pressing Japan a bit too hard on her military contribution. We might, accordingly, lose the vital political sympathy of Japan in our effort to get the desired military levels. On balance, this would be a net loss. Accordingly, Secretary Dulles predicted that we might have to lower our sights a bit on the Japanese military contribution. While in Japan the Secretary said he had also noted mounting pressure for wider trade between Japan and Communist China. There was marked resentment over the fact that Japan was singled out for different treatment from the European powers with respect to trade with Communist China. Finally, said Secretary Dulles, it was becoming harder and harder for the United States to hold to its old position against the admission of Communist China to the United Nations. We could probably hold out for a while longer on this position, but certainly not for the indefinite future.

At the conclusion of Secretary Dulles' preliminary observations, Mr. Cutler suggested that the Council defer action on this item and turn its attention to the Chinese Nationalist offshore islands, on which the Secretary of State was also to make a report.

The National Security Council: [4]

a. Agreed to establish an *ad hoc* committee, composed of officials at the Assistant Secretary level from the Departments of State (Chairman), Treasury, Defense, and Commerce, the Foreign Operations Administration, the Office of Defense Mobilization, and the Bureau of the Budget, with the Central Intelligence Agency as intelligence adviser and the Executive Officer, Operations Coordinating Board, as observer, to prepare and submit to the Council proposed courses of action to carry out the broad policy stated in paragraph 3 of NSC 5429/2, with the understanding that:

> (1) The work of the committee will not suspend the preliminary actions now underway; but the committee will take into account, and consult with the appropriate departments and agencies regarding, actions being taken prior to its report.
>
> (2) No financial commitments will be made prior to the committee's report without consideration by the Council.

b. Noted the "Note on Revision of Annex A to NSC 5429/2," as distributed at the meeting.

c. Noted the interim comments of the Secretary of State on Part I of NSC 5429/2, relating to Communist China, and deferred further consideration until a subsequent meeting.

Note: The action in a above, as approved by the President, subsequently referred to the departments and agencies concerned for appropriate implementation.

. . . .

S. EVERETT GLEASON

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[4] Lettered paragraphs a–c constitute NSC Action No. 1233. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

790.5/10–754: Telegram

The Chargé in Australia (Peterson) to the Department of State

SECRET CANBERRA, October 7, 1954—3 p.m.

123. Secretary External Affairs summoned Chargé October 7 to emphasize that Cabinet position re Australian ratification Manila

Pact (External Affairs telegram 676 to Australian Embassy October 7) about which Australian Embassy would inform Department in strict secrecy was a position reached after great difficulty, that Cabinet's stand re points 2 through 5 was quite irrevocable hence any representations for their revision would probably be unfruitful.[1]

Secretary said pursuant instructions he was handing Chargé letter 7 October as follows:

Begin verbatim. As I have already informed you, the Australian Cabinet has decided to ask Parliament to approve the ratification of the Manila Pact without any formal reservation on Australia's part.

Cabinet had to consider carefully the implications of not making a reservation similar to that made by the US at Manila. In making this decision, Cabinet was greatly influenced by the fact that a reservation on our part was thought by the US Government to cause a risk of delaying, or even preventing, the ratification of the Pact by some of the other states that signed at Manila.

I want to let you know—and I should like you to convey this to your government—that the Cabinet was extremely critical of the speed at which the negotiations were conducted at Manila and of the fixing of a rigid timetable for the conference. The question of whether or not to make a reservation upon signature of the sort made by the US raised fundamental considerations of Australian policy which had to be decided by Cabinet during the conference at great speed and without full knowledge by the Cabinet of the intentions of other governments or of the interpretation which they were placing upon the obligations into which they were entering. We found ourselves in a situation where the time when the document would be signed at a public ceremony had already been announced before certain major policy questions had been considered, with the consequence that consultations by US [*us*?] in other capitals, for the purpose of ironing out difficulties, was not practicable. As a result, there is a strong feeling among Ministers that Australia should not allow herself again to be placed in the position of attending a conference where the deadline has been publicly announced in the early stages of discussion and before major issues have been considered. *End verbatim.*

PETERSON

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[1] See the attachment to the memorandum of conversation, *infra.*

Conference files, lot 60 D 627, CF 358

Memorandum of Conversation, by the Acting Deputy Director of the Office of British Commonwealth and Northern European Affairs (Horsey)

SECRET [WASHINGTON,] October 7, 1954.

Subject: Australian Ratification of Manila Pact

Participants: Mr. F. J. Blakeney, Counselor, Australian Embassy
Mr. Horsey, Acting Deputy Director, BNA

Mr. Blakeney said that he had been instructed to tell us in confidence the decision of the Australian Cabinet on the ratification of the Manila Pact. The Cabinet's decision is set out in the attached paper which he left with me. I thanked him for this information and said I would get it at once to the interested officers of the Department.

Mr. Blakeney stressed the great importance of maintaining the secrecy of this information.

[Attachment]

Paper Received From the Australian Embassy

SECRET

Cabinet has agreed that—

(1) Australia should ratify Manila Treaty without any formal reservation.

(2) An Act of Parliament should be passed during present session approving ratification of treaty.

(3) The Act should contain a preamble which would recite circumstances leading to the Manila Treaty such as the common danger of Communism in the region and Communist actions in Korea, Indochina and Malaya.

(4) At the time that Parliament is asked to approve that Act, the Government would make a careful statement in the House of our intentions under the Treaty indicating that we consider that the common danger was communism and that consequently the only action which might involve military force which we contemplated, or would be ready to take under Article IV (1) of the Treaty, would be against Communist aggression.

(5) The Act should contain a clause stating that it would come into effect on a date to be proclaimed. This would allow proclamation of Act to be deferred until the United States had ratified the

Treaty. Australia would then deposit its ratification at about the same time as America.

(6) The United States, the United Kingdom and New Zealand should be informed in advance of the foregoing course.

7 OCTOBER 1954.

790.5/10-754

Memorandum of Conversation, by the Acting Deputy Director of the Office of British Commonwealth and Northern European Affairs (Horsey)

SECRET [WASHINGTON,] October 7, 1954.

Subject: Manila Conference

Participants: Mr. F. J. Blakeney, Counsel, Australian Embassy
Mr. Horsey, Acting Deputy Director, BNA

I had the following discussion, on a personal basis, with Mr. Blakeney, when he called today on a related subject.

I told Mr. Blakeney of the letter given to our Chargé at Canberra (Canberra's 123 of October 7)[1] and said I thought it was a little rough on us, since the timetable at the conference had been agreed to by *all* the delegations, and the policy questions had been exhaustively discussed for at least three or four weeks prior to the actual conference. We recognized, of course, that the Australian Government had had a real problem because of the nature of the "understanding" which the United States had attached. On the other hand, that device had been worked out by us on the assumption that Australia, like all the others except ourselves, opposed the limitation to "Communist" aggression and that the last minute change in that assumption had of course affected the remedy which we had devised, so that the change in Australia's position at that late date would have placed the entire enterprise in the most serious jeopardy. Mr. Blakeney understood this but felt that it would have been avoided if we could have presented to them a little earlier our proposed solution on the definition of aggression. I explained that it had only been developed at the very end of the conference and we had consulted on it just as soon as we could. Mr. Blakeney explained that, as he understood it, the "major issue" mentioned in the letter quoted in Canberra's 123 of October 7, was the question of essentially different commitments being undertaken by Australia and the United States. It was this question which the Australian Cabinet felt they had not had sufficient time to consider. I said this was a good point but the letter did not seem to recognize that there had in fact been no alternative if the conference was not to fail.

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[1] *Ante*, p. 932.

790.5/10-854

United States Position Paper Prepared for the ANZUS Council Meeting [1]

SECRET WASHINGTON, October 8, 1954.

MILITARY MACHINERY UNDER THE MANILA PACT

PROBABLE AUSTRALIAN/NEW ZEALAND POSITION

1. Both countries will probably say they do not believe a NATO-type military structure is desirable.
2. Both will probably favor a small permanent secretariat which could form the nucleus of military planning activities.
3. Australia will probably refer to the recent change in its foreign policy which permits a commitment of forces in advance of hostilities, and stress the desirability, for parliamentary purposes, of being able to specify what forces it is obligated to furnish under the Treaty.
4. Both countries will probably favor the formulation of combined military plans and the earmarking of forces.

US POSITION

1. The US opposes establishment of a formalized body of advisers under the Manila Pact. Such a body would almost certainly lead to the development of combined regional military plans along the NATO pattern with the following disadvantages: it could provide a means by which pressure could be exerted to commit the US to a military effort disproportionate to its over-all responsibilities and commitment; it could tend to reduce, without compensating military advantage, US military freedom of action; and it could give other countries of the Treaty power of veto over the type and scope of plans evolved.
2. The US considers that military machinery necessary to make the Treaty effective should be similar to the ANZUS arrangement. Military representatives should be appointed by the individual nations signatory to the Treaty. These representatives should not be

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[1] Attached to a briefing memorandum dated Oct. 8 from MacArthur to the Secretary, not printed. In the memorandum MacArthur refers to this position paper as incorporating the "thinking of the Defense Department". Its format, however, indicates that it was probably drafted in the Department of State.

considered as a formally constituted group, but should be accredited as individuals to the Council. They should constitute a consultative arrangement looking toward improvement of the defense of the Treaty area.

3. The US envisages such a consultative arrangement as leading to the development of national military plans so coordinated as to increase the mutual effectiveness of the defensive effort of the countries concerned.

4. The military consultative arrangement could have the following general organization and functions:

a. *The Military Advisers:* appointed at the level of chief of staff or theater commander. The Military Advisers would:

i. meet periodically as required after consultations among the signatory Parties;
ii. formulate their own rules of procedure;
iii. advise the Council on problems of military cooperation that may arise in connection with the application of the Treaty;
iv. consider and make recommendations to their respective military superiors;
v. furnish the Council those recommendations which have received approval of their respective military superiors;
vi. designate, as necessary, planning assistants to meet as required to work on agreed projects.

b. *Possible Planning Tasks* (same as under ANZUS): as a matter of principle the military advisers themselves at their first meeting should determine the planning tasks to be undertaken. Without prejudice to the position to be taken at such time by the US Military Adviser, the following planning tasks would appear to be appropriate:

i. review of the military situation in the area (essentially an intelligence estimate to be used in planning procedures);
ii. development of a strategic estimate on Southeast Asia;
iii. determination of possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in the area short of a general emergency.

c. *Possible Additional Activities:*

i. exchange of planning information;
ii. exploration of ways and means of increasing the mutual effectiveness of the defensive effort of the signatory Parties in the Treaty area;
iii. designation by such countries as wish to do so of military resources for specific defensive tasks, it being understood that the US, having worldwide obligations, must necessarily refrain from commitments of specific military resources to a particular area;

iv. consideration of measures to be taken in each country to increase the security of classified information with a view to augmenting the effectiveness of an exchange of intelligence data.

790.5/10-854

Outline Prepared for the ANZUS Council Meeting, by William J. Galloway, Special Assistant to the Counselor of the Department of State [1]

CONFIDENTIAL [WASHINGTON, undated.]

ORGANIZATION OF THE COUNCIL AND RULES OF PROCEDURE

(MANILA PACT)

1. The Governments normally will be represented by Foreign Ministers (or their designated representatives).

2. The Council should meet when deemed necessary by the members, and in any event, at least once each year.

3. The Council should have no fixed site for meetings but should hold its meetings in the various capitals or other places agreed by the members.

4. The Council should elect a Chairman to preside at each meeting (normally the Foreign Minister of the host Government).

5. Substantive decisions should be taken by unanimous agreement of the members of the Council.

6. The Chairman, calling on other members for assistance as necessary, should arrange for such secretarial and administrative support as may be required for the meetings of the Council, including the appointment of a Secretary-General for each meeting.

7. Meetings of the Council would normally be closed except for such public and ceremonial sessions as the Council might decide appropriate.

8. *Ad hoc* working groups or committees may be established, as necessary, to assist the Council in implementing the Treaty.

9. *Military Advisers*

a. Each member of the Council should be assisted by a Military Adviser.

b. The Military Advisers should be prepared to attend meetings of the Council on request.

c. As directed by the Council, the Military Advisers should consult together with regard to military planning.

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[1] This paper, like the position paper, *supra*, is an attachment to the memorandum from MacArthur to the Secretary dated Oct. 8.

Secretary's Memoranda of Conversation, lot 64 D 199

United States Minutes of ANZUS Meeting

SECRET WASHINGTON, October 11, 1954—11 a. m.-1 p. m.

PARTICIPANTS

United States
The Secretary
The Under Secretary
Mr. MacArthur, C
Mr. Kenneth Young, PSA
Mr. Horsey, BNA

Australia
Mr. R. G. Casey, Minister for External Affairs
Ambassador Spender
Mr. David W. McNicol
Mr. F. J. Blakeney, Minister, Australian Embassy

New Zealand
Ambassador Munro
Mr. Foss Shanahan, Deputy Secretary of External Affairs, Wellington
Mr. R.H. Wade, First Secretary, New Zealand Embassy
Mr. H.P. Jaffery, Second Secretary, New Zealand Embassy

The Secretary welcomed the other delegations and noted that an ANZUS meeting was generally held about this time of year and that the Manila conference raised new problems which it might be useful to discuss in the first instance in this forum. He suggested that, since the meeting was being held on Australia's initiative, Mr. Casey start off.

Mr. Casey said that the SEATO Treaty was not an end in itself and that there should be a suitable organization in both military and nonmilitary terms. He mentioned Australia's plans for ratification of the Treaty. This would be started in a few weeks and the process of ratification would give Australia sufficient freedom of action on their obligations under the Treaty. The important thing now was to get on with military planning, economic planning and cold war planning.

On military planning, Mr. Casey said that Australia was prepared to pull its weight but could not do so without knowing U.S. views. He recognized the problem posed for us by the nature of the SEATO relationship, with seven partners of varying background and reliability as to security matters, but he hoped that between the ANZUS partners and the British there could be effective planning with the U.S. acting as coordinator. He suggested that, in this way, ANZUS serve as a cover for what would in effect be SEATO strategic planning—its true purpose not being publicly known—and that "make believe" planning be undertaken bilaterally by the U.S. with each of the other four countries. He said he had made these views known to a number of persons in Washington, including Admiral Radford. The end result of all this, so far as Australia was concerned, should be agreement on the forces which Australia should maintain for use in an emergency. Mr. Casey said he knew the U.S. view on not allocating specific forces to the area but, unless some real planning was done with Australia, the Treaty would lack a good deal of reality for them. Moreover, the Prime Minister had said publicly that the Treaty would result in Australia knowing her commitments in precise terms and that there would be considerable embarrassment to the Australian Government if this did not happen. (In a later conversation with Mr. MacArthur, Mr. Casey said that, unless Australia got the type of guidance they needed, the inevitable result would be a lesser defense effort.)

On economic planning, Mr. Casey said that at the meeting in Ottawa he had talked with representatives of Vietnam, Laos and Cambodia to ascertain their principal needs. He found they did not have any clear idea of those needs and he had therefore suggested that canalizing economic aid into the Associated States was the most urgent problem of the Colombo Plan enterprise. He suggested breaking away from the bilateral aspect of the Colombo Plan and forming a group composed of representatives of the U.S., U.K., Australia, New Zealand, and Canada to decide what were the most urgent requirements. He thought that a small group of technicians from the American Embassy in Saigon could readily ascertain these and let this planning group know. He said that Australia was willing to contribute a quarter of a million pounds immediately.

On cold war planning or "anti-subversion", as he called it, in Southeast Asia, Mr. Casey said that he had very incomplete knowledge as to what was being done now. It might be appropriate to establish a "security council" under the Manila Pact Council to canvas this field. There should perhaps be, he said, bilateral planning with each of the countries concerned on such subjects as police training and organization, police communications, et cetera.

On other problems of the area, Mr. Casey mentioned South Vietnam and said he had discouraging reports as to their ability to maintain a reasonable framework of government. He thought that if this area was lost, Laos and Cambodia would find great difficulty in maintaining their independence. This had led him to speculate on linking Laos and Cambodia more closely with Thailand, if not in a federal structure, perhaps at least in some closer relationship than now exists. He had discussed this with Prince Wan and said that Prince Wan at least did not object to the proposal.

On Western New Guinea, Mr. Casey said he would not review their entire position but he wished to emphasize the very bad effect which any trend toward a change in the sovereignty over the area would have on the Australian people. He recalled a conversation with the Indonesian Foreign Minister. He had suggested that, if Indonesia could not at this stage withdraw the issue from the General Assembly, they at least come to some sort of compromise with the Dutch. Mr. Casey said he thought we agreed with his estimate of the deteriorating situation in Indonesia and felt that it was completely unwise to move (in the GA) toward any result which would oblige the Dutch to cede sovereignty.

Mr. Casey said he would welcome any indication which the Secretary could give as to likely future developments on Communist China.

Ambassador Munro concurred with Mr. Casey's presentation and said New Zealand too wished to pull its proper weight. He said that the continued vitality of ANZUS was fundamental, perhaps even more so after the Manila Pact. On the political side, he said there was no question of the value of discussion among the three ANZUS partners of the problems of the Pacific area. On military planning, he said that ANZUS planning had been interrupted by the work of the Five-Power Staff Agency and that the Military Representatives had not met for thirteen months. He felt this group was of particular value to New Zealand and could do actual military planning. It was also important as a channel through which the New Zealand Government could be apprised of our military thinking. It might also be used as a means of consulting with the U.K. on these questions. Referring to Sir Robert Scott's presence at informal ANZUS meetings during the past summer, he said New Zealand would like to see everything possible done to bring the British into close association with the ANZUS group.

Ambassador Munro said that it was important that SEATO should not appear to the New Zealand public merely as a document and that it would be unfortunate if it had no content. He knew the U.S. thesis of maintaining a strategic reserve in the general area but New Zealand needed an indication of what we thought about strategic reserves being maintained by others. He said the effect of this on the Asians was particularly important. He agreed that insufficient attention was being given to the threat of subversion in the area and suggested that a small subcommittee might be set up, consisting of the U.S., the U.K., Australia and New Zealand. Ambassador Munro was not sure whether it was wise to set this up under the Manila Pact or ANZUS, as Mr. Casey had suggested.

Ambassador Munro referred briefly to economic questions and said that New Zealand too would like to do their part with respect to Indochina but that their help would be on the technical side. In conclusion, he said he would like to have our views on the future of Korea.

Sir Percy Spender said he felt it was important to bring ANZUS military planning up to date. On indirect aggression or subversion, he felt we were all ill-equipped to deal with the problem. He referred to the suggestions which he himself had made during the summer in the form of a draft treaty which he had submitted to us. He thought there was a good deal we could do to help the exposed countries meet their problems by coordinating intelligence and police work.

Sir Percy said he had discussed Western New Guinea recently with Ambassador Lodge, looking for a line of action by us which would be consistent with our anti-colonial policy. Sir Percy thought the GA discussion would be heavily clouded by the "false colonial issue". Indonesia, he said, has refused to consider any solution which does not recognize their *de jure* sovereignty over the area. Their case rests on one document, which is now invalidated since it was conceived in the framework of a union with the Netherlands, which Indonesia has destroyed. Moreover, he thought it was inconceivable that two nations could dispose of an area of over a million inhabitants without consulting the wishes of the inhabitants. He suggested that, in the GA debates, the U.S. take a line which would show up the general ignorance on the issue and suggest the undesirability of any GA action which would affect the inchoate rights of the people to determine their own destiny, as inconsistent with the UN charter. The primary obligation of the UN was to the people of the area. Even a mild GA resolution suggesting that Indonesia and the Netherlands discuss the matter would adversely affect the rights of the people in the area, since it would concede implicitly that the Indonesians have some measure of claim to absorb them. Ambassador Spender hoped that, if the U.S. was unable to change its actual voting position, at least it could bring out these points in the debates.

Ambassador Spender asked for clarification in relation to Formosa, as to how the present tension between the Chinese Communists and the Chinese Nationalists over such places as Quemoy could be handled.

Mr. Casey, reverting to military planning, said that there had been discussion with the U.K. on the defense of Malaya which might come to a head soon. This emphasized the desirability that Australia know more of our broad plans for defense of the area of Southeast Asia before they committed themselves to the British on Malaya.

The Secretary appreciated the importance of the problems raised by the others and said we had been giving them all a great deal of study. This study had not yet, however, been brought to a conclusion within the U.S. Government as a whole. However, he thought he could throw some light on these questions.

The Secretary agreed on the importance of translating the Manila Pact into some measure of living reality. He said he attached importance to the pledge in the Treaty of action in the event of open armed attack. He believed that the pledge itself had an important deterrent effect and was a factor of not inconsiderable significance. He recalled that, in the North Atlantic Treaty ratification debate, it had been recognized that the primary value of NAT was in the warning that, if open armed aggression took place, the U.S. would be involved. It had been said that if our intentions had been clear in 1914 and 1939, there would have been no war. This time our intention was clear and the Manila Pact contains substantially the same warning. If backed by obvious resolution and capacity, it will of itself operate to deter open aggression. In the case of the NAT, we had moved on to create an organization and forces in being. However, conditions in the Manila Pact area were different. In Western Europe there was a considerable measure of unity, cohesion and military tradition on which to build and it may be possible to create there forces in being which will add substantially to the deterrent and retaliatory power. The forces were in any case particularly important on the psychological point of view. The Secretary noted Churchill's concurrence with this thesis. With regard to the Manila Pact area, the Secretary repeated that we shared the desire to give the Treaty a living reality but repeated likewise that the value of the pledges in the Treaty should not be overlooked, especially when fortified by the resolution and the capabilities of all the countries concerned. With the world-wide responsibilities of the U.S., it was not wise for us to make an allocation of military strength to the area. We could contribute more by disposing our strength so that what protected one could as well protect many. He noted that both the Australian and

New Zealand spokesmen had said that they understood our policies in this respect.

Mr. Shanahan in response to a question from the Secretary on the prospects for New Zealand ratification, said that although Parliamentary action was not constitutionally required, it was customary to have a debate prior to executive ratification. He noted the fact of the New Zealand elections in November and indicated that ratification would take place in due course thereafter.

On our own ratification plans, the Secretary mentioned a conversation with Senator Knowland on the desirability of moving ahead before the next regular session of Congress. Senator Knowland's view, in which the Minority Leader[1] concurred, was that the Senate itself should not consider issues extraneous to the one on which they are being called. However, the Senator thought that the Foreign Relations Committee might consider the Treaty and make a report which, if favorable, would enable us to take preliminary action in the way of an interim meeting of the Council, without awaiting formal ratification. At the same time it might put the Senate in position to move more rapidly in January.

On military planning, the Secretary said we were reluctant to assume the responsibility of coordinating the planning of the other Manila Pact countries through a series of bilateral arrangements. We were not opposed to a measure of military planning under the Treaty, with all the parties being represented. We would probably not want anything in the nature of a Standing Group or even a group which would meet at frequent intervals. However, we would be willing to have Military Advisers who would meet from time to time to exchange views. This would also be important from the psychological point of view. The Secretary outlined briefly Defense views on military organization and planning. In addition, he thought it might be desirable to have more intimate talks which might take place within the framework of ANZUS, perhaps with the U.K. as an observer. He noted the reference to the Military Representatives under ANZUS not having met and thought that it might be well for them to do so. On the assumption that the Australians and New Zealanders thought this would be desirable, we would take up this suggestion with Defense. (Later in the meeting, the views of the Defense Department on military planning under the Manila Pact were set forth fully in the form in which they had been received for use in this meeting.)

On economic planning, the Secretary said we were studying this whole question but were not yet sure how to undertake it with the speed and efficiency which were obviously desirable. A long range plan might take a year to get under way. It was possible that we would send an economic mission to the entire area, from Japan through to India, to study the possibility of developing economic interrelationships. This was a long range project which could not meet the immediate problem in Indochina. Mr. MacArthur reviewed briefly the recent talks with the French and the conclusion of the French and ourselves that it was important to coordinate our resources and to get started immediately on worthwhile projects. [2] Mr. Young said that we should soon have from the Embassy at Saigon the results of an FOA survey of the three Associated States and that, when we had this, we ought to consult with the Australians. Ambassador Munro said that New Zealand would likewise wish to be kept in touch with these developments and noted that New Zealand had two men in Cambodia.

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[1] Lyndon B. Johnson of Texas.

On the anti-subversive aspect of the Manila Pact, the Secretary said that this gives us great concern, particularly in view of the great effectiveness of the Communists in this field. He noted that the Manila Pact referred, possibly for the first time in a Treaty, to subversion and agreed that this part of the Treaty particularly should be given life. He said that in our Government we did not have clear responsibility in this field, but that we were endeavoring to set up a group within the Government to consider how best to organize for this type of activity. He said that when our studies had progressed a little further, we would get in touch with Australian representatives.

In response to questions at the start on particular situations in the area, the Secretary said that our estimate of the outlook for Laos and Cambodia was not quite as unfavorable as that of the Australians. He said we had not given thought to the possibility of federation between these two countries and Thailand. He noted the importance of conducting our programs so as to lessen the dependence of Laos and Cambodia on the port of Saigon.

On Western New Guinea, the Secretary said that we had given it a good deal of careful thought, but he said that he preferred not to discuss it at this meeting. He would, however, give careful thought to what the Australian representatives had said. He said he wished to reflect on the issues raised by them. Sir Percy Spender said that he would put the Australian views in writing and give them to Ambassador Lodge.

On Korea, the Secretary said that the problem of dealing with President Rhee was getting more and more difficult and that the people were being aroused into a more and more anti-American condition. This had more serious implications as Korean forces were deployed following the redeployment of U.S. forces. The Secretary did not think, however, that Rhee would open hostilities although Rhee was so erratic that we could not be sure. We were alert to the danger in the situation and were doing what we could to handle it.

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[2] For documentation on the talks held in Washington, Sept. 27-29, between Acting Secretary Smith, and La Chambre, Edgar Faure, Minister of Finance, and Gen. Paul Ely, French Commissioner General in Indochina, see vol. XIII, Part 2, pp. 2061 ff.

Mr. Casey asked whether it would be possible to have a Council meeting of the "SEATO powers" this year before ratification by all concerned. Ambassador Munro noted that, in view of the New Zealand elections, January was the earliest date they could consider. The Secretary responded that, if we made sufficient progress in the Senate Foreign Relations Committee during the present session of Congress, a meeting might be possible. He thought it was important to hold such a meeting in the area and suggested that Bangkok would be a suitable place. Mr. Casey agreed.

Mr. Casey said he had developed excellent personal relations with Pakistan leaders and would be glad to discuss this question later. In response to the Secretary's question, he said he thought Pakistan would ratify the Manila Pact.

As to the question on Formosa, the Secretary said that our information indicated a build-up of strength which was directed in the first instance at the off-shore islands but that this might be a stepping stone to an attempt to retake the Pescadores and Formosa itself. The degree of support which the U.S. would give the Chinese Nationalists with respect to the off-shore islands had not yet been finally determined. It was being dealt with on a day to day basis by the President and the National Security Council.

In conclusion it was agreed that comments to the press would be limited to general statements that the meeting had been for discussion of a broad range of problems of concern and interest to the three partners.

[Here follows a partial text of the position paper, page 936.]

611.90/10-1154

Memorandum by the Director of the Foreign Operations Administration (Stassen) to the Secretary of State [1]

SECRET WASHINGTON, October 11, 1954.

Report and Recommendations on Developments in the Regional Economic Organization of South East Asia, South Asia, and the Far East. (NSC 5429/2, paragraph 3.)

1. Pursuant to the recommendations of the State–FOA working group under the Chairmanship of Mr. Baldwin, and the policy guidance of the Secretary of State, initial steps toward establishing a regional economic organization of the non-communist nations of Asia and the Far East have been taken as follows:

A. An extensive preliminary consultation with the U.K. Chancellor of the Exchequer [2] and other U.K. officials was held (during the IMF week) [3] with representatives of State, Treasury and F.O.A. Concurrence of the U.K. in the desirability of the objective, the wisdom of building on the Colombo Plan, the inclusion of Japan, and arrangements for continuing joint study were obtained.

B. The U.K. recommended an early preliminary talk with Finance Minister Deshmukh of India and Finance Minister Mohammed Ali of Pakistan.

C. At the Ottawa meeting of the Colombo Plan, Japan, Thailand, and the Philippines were admitted to full membership.

D. At Ottawa a preliminary conference with Finance Minister Deshmukh of India resulted in his expression of favorable interest in an economic organization arising from the Colombo Plan, his indication that he would study the problem, and his anticipation of conferring with the U.S. delegation on the subject during the planned journey to the area.

E. At Ottawa a preliminary conference with Finance Minister Mohammed Ali resulted in his expression of favorable interest in a broad sense, but his concern that such an economic organization would be dominated by India, and his concern that the countries which had joined SEATO should have preference in U.S. aid. It was explained to him that in any event it has not been anticipated by the U.S. that any regional economic organization would have any jurisdiction over U.S. defense support allocations, and further that the political problem of India which he raised would be studied.

F. The Ministers' Session of the Colombo Plan was advised "We invite and will consider with care the further suggestions and the additional plans which are advanced by the nations of Asia. We shall be especially interested in the steps which are taken toward multilateral regional economic cooperation in Asia. We have been impressed with the record of economic and financial accomplishments of the European countries through their combined actions, in the past years. Thus it is constructive, as we see it, that you have unanimously decided in this session to expand and to include Japan and Thailand, and this morning the Philippines, within the Colombo Plan."

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[1] Addressed also to Cutler and Staats.

[2] R.A. Butler.

[3] The Ninth Annual Meeting of the Board of Governors of the International Monetary Fund took place in Washington, Sept. 24–29.

2. The Secretary of the Treasury and the Secretary of Commerce[4] have both been invited to send representatives to be included in the U.S. delegation which will make the journey through the Colombo area departing approximately November 20th.

A. In accordance with the policy guidance of the Secretary of State and the approval of the President, this journey will be openly for the purpose of reviewing the FOA and Colombo programs in the countries visited and the exploration of the regional economic organization will be done without fanfare and all publicity on the regional organization ideas will be stimulated from Asian national sources.

3. FOA is now preparing a thorough analysis of economic resources and trade, investment and payment patterns of the Colombo Plan countries which will be available to all U.S. departments concerned and to the U.S. delegation.

4. *Recommendations*

A. It is recommended that the U.S. discuss in a preliminary manner the regional economic grouping with the Prime Minister of Japan during his impending visit to Washington and encourage Japan's early allocation of a modest quantity of yen for Colombo Plan projects. The U.S. should express a willingness that yen generated by surplus food sales to Japan under PL 480 may be used for this purpose on a matching 50–50 basis with yen appropriated by Japan up to a maximum of 5 million dollars value.

B. It is further recommended that the U.S. not contemplate the inclusion of the Republic of Korea or of Nationalist China in the initial regional economic organization because of the extreme political problems which are inescapable in these two instances and in view of the essential importance of including India and Japan.

(1) The Korean question can be re-examined after relations of Korea and Japan are normalized.

(2) The Chinese Nationalist question can be re-examined if stability is established on the Chinese issue in the United Nations.

C. It is further recommended that neither France nor the Netherlands be included in the observer status anticipated for the U.S. and U.K. and Canada as neither one could be included without the other, and the two together would inject difficult political and economic issues into the organization which are not essential to its economic success.

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[4] Sinclair Weeks.

D. It is further recommended that ECAFE (Economic Commission for Asia and the Far East under the United Nations) should not be used in any manner for the regional grouping since it includes the USSR and does not include Japan.

5. *Information*

A. The Colombo Plan now includes the following area countries:

1. India
2. Pakistan
3. Ceylon
4. Burma
5. Thailand
6. Indonesia
7. Australia
8. New Zealand
9. Malaya
10. Viet Nam
11. Cambodia
12. Laos
13. Philippines
14. Japan

B. The Colombo Plan includes the following non-area countries:

United Kingdom
United States
Canada

HAROLD E. STASSEN

790.5/10-1154: Telegram

The Consul General at Singapore (Berry) to the Department of State [1]

SECRET SINGAPORE, October 11, 1954—5 p. m.

223. 1. Chiefs of British military services have taken advantage of Frank Wisner's [2] presence Singapore to express their concern re US military planning and strategy in SEA. Possible reason for approach to Wisner is that he first Washington official to visit Singapore since Geneva conference and more particularly since Manila conference.

2. Line taken by Admiral Lambe, [3] General Loewen [4] and others is to effect there exists impression in Singapore that US has "writ-

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[1] Repeated to London.

[2] Deputy Director for Plans, Central Intelligence Agency.

[3] Adm. Sir Charles Lambe, Commander in Chief, Far East Station.

[4] Gen. Sir Charles Edward Loewen, Commander in Chief of Far East Land Forces.

ten off SEA" and "lost interest in area". I have heard something of this before and have confined my remarks to statements that US policy as I understand it, is to strengthen free countries of SEA to resist aggression particularly covert and subversive attacks against them. US service attachés here advise me they have not received any similar approaches.

3. Burden of British military thesis here is that Malayan peninsula can be held but that this requires concerted planning between British, Australians, New Zealanders with at least some US participation. British military say they do not ask or expect full US participation but rather wish and hope US willing to give them general idea of broad US plans for situation involving overt aggression in SEA plus indication what role expected be played by British Commonwealth members in area. Further they express concern over lack any suitable vehicle for exchanges military views re area defense. British military have acknowledged defense Malayan peninsula requires application all available measures to bolster and shore up remaining free areas north of Kra peninsula but appear mainly preoccupied with military defense of peninsula.

4. Wisner after consultation with me agreed report British views to appropriate authorities Washington but disclaimed any competence on part his agency in this field which clearly in realm high State and Defense policy. Both Wisner and I are perplexed as to reasons why British military do not seek recourse to their normal channels for communication such views and proposals, but inclined to assume they have attempted do this without satisfactory reaction or response and thus seeking additional channel. [5]

BERRY

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[5] In telegram 393 to Singapore, Oct. 18, the Department of State replied, concerning disposition of U.S. forces in the Far East, along the lines set forth in the minutes of the ANZUS Council Meeting, Oct. 11, p. 939. Additionally the Department stated: "US anxious give effect Manila Pact by appropriate arrangements for consultation re military planning, but considers situation area requires staff type arrangement for coordination respective national planning rather than NATO type joint planning organization. US does not agree UK view such military group (or meeting Manila Pact Council) should be at Singapore since seat UK colonial authority Asia." The telegram concludes: "Dept confident present US–UK military channels adequate for exchange views these matters. Above sent, however, for your guidance and use your discretion if matter raised with you again." (790.5/10–1154)

790.5/10-1854

Memorandum by the Officer in Charge of Commonwealth Affairs (Horsey) to John Goodyear, Special Assistant to the Deputy Under Secretary of State

SECRET [WASHINGTON,] October 18, 1954.

Subject: Draft for your notes on State-JCS Meeting: [1] ANZUS Meeting

Mr. MacArthur gave an outline of the subjects discussed at the October 11 ANZUS meeting, using the attached paper. [2] Admiral Davis said that, from draft minutes which he had seen, the Secretary had handled it splendidly. There was discussion of the Australian-New Zealand proposal to reactivate the ANZUS Military Representatives. Admiral Carney said that, since Australia and New Zealand were getting all the military consultation they needed already through staff liaison with CINCPAC, reactivation of the Military Representatives would be largely "window dressing". He thought it was really a question of timing and that, in order not offered [*offend*] the Asians, it was preferable to wait until after Manila Pact organization was under way. Mr. MacArthur indicated general concurrence with this thought. [3]

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[1] Held Oct. 15; see footnote 3, below.

[2] "Outline of ANZUS Meeting Discussions", Oct. 11, not printed.

[3] In the Department of State draft memorandum on the substance of discussions at a Department of State-Joint Chiefs of Staff meeting, Oct. 15, MacArthur's response is reported as follows: "Mr. MacArthur agreed that consideration should be given to this thought, particularly as to whether a meeting of the ANZUS military representatives might be postponed till after an interim meeting of the Manila Pact Council if such a meeting were held in January 1955. He referred briefly to the Philippines. He noted that the Philippines also liked to have meetings of the Philippine-U.S. Council as well as of the military representatives of the two countries which established in a sense an agreement for having similar meetings of ANZUS representatives." (State-JCS Meetings, lot 61 D 417)

790.5/11-1954

Memorandum by the Counselor of the Department of State (MacArthur) to the Under Secretary of State [1]

SECRET [WASHINGTON,] October 25, 1954.

Subject: Organization within the United States Government for Possible Consultations under Article IV, 2, of the Manila Pact

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[1] Sebald and Stelle assisted in drafting this memorandum. Sebald became Deputy Assistant Secretary of State for Far Eastern Affairs on Nov. 1.

Background

1. Article IV, 2, of the Manila Pact provides consultation between the Parties "If, in the opinion of any of the parties, the inviolability or the integrity of the territory or the Sovereignty or political independence of any party in the treaty area . . . is threatened in any way other than by armed attack. . ." [2]

2. At the recent ANZUS discussions the Australians and the New Zealanders raised the possibility of conversations under this article to discuss what could be done to counter Communist infiltration and subversion.

3. The Secretary has requested recommendations as to how staff preparation for such conversations and for implementing Article IV, 2, of the Manila Pact might be undertaken within the US Government and where responsibility should be centered.

4. Different aspects of the problem of assisting to counter Communist subversion are primarily the responsibility of State, CIA, and Defense. All these agencies are represented in the OCB. The OCB would also be suitable for general coordination of staff work along this line because it is concerned with both overt and covert activities.

5. The OCB in its consideration of progress reports of NSC policy implementation already deals with the coordination of overt and covert activities, but it does so almost solely on a country-by-country basis. It has not had occasion to give general consideration to efforts to counter Communist subversion throughout Southeast Asia and the Southwestern Pacific.

6. The situation within the Department of State is somewhat the same. The responsibility for coordination of covert activity with US policy centers in Mr. Higgs in U/OC. [3] He works with the regional policy officers on a country-by-country basis. Since the membership of the Manila Pact includes countries in three geographic bureaus, FE, NEA, and EUR, there is not in the Department any one center of responsibility for staff work on this aspect of the Manila Pact.

Recommendations

1. The Department of State should be charged with the responsibility for general coordination of work within the US Government in preparation for possible consultations under Article IV, 2, of the Manila Pact.

2. The OCB should be the forum used to obtain a coordinated US position with respect to specific implementation. The Department

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[2] Ellipses in the source text.

[3] L. Randolph Higgs became Deputy Operations Coordinator on Dec. 19, 1954.

of State should provide the chairmanship of any working groups set up under OCB to deal with this problem.

3. Staff work within the Department should precede submission to the OCB of the request to undertake this coordination. Since FE is the bureau which has responsibility for those members of the Manila Pact that are most immediately threatened by subversion, FE should provide the chairman of a Departmental working group which should include NEA, EUR (Mr. Horsey), S/P (Mr. Stelle), and U/OC (Mr. Higgs). In the light of the Secretary's request that Ambassador Sebald be the point of responsibility in FE for work on the Manila Pact, FE should designate Ambassador Sebald as chairman of the committee.

611.90/10-754

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State[1]

TOP SECRET [WASHINGTON,] October 25, 1954.

Discussion:

The report of the Van Fleet Mission is divided into eighteen chapters, most of which are wholly or in part concerned with military detail.

Summarized below are General Van Fleet's conclusions and recommendations. Attached as Tab A is a summary of General Van Fleet's "Appreciation". Tabs B through E[2] are summaries of his reports on Korea, China, Japan, and the Philippines.

Conclusions and Recommendations of the Van Fleet Mission:

1. The U.S. lacks—and needs—an over-all policy identified with and enthusiastically supported by the free nations of East Asia (Japan, ROK, Philippines, China).

2. The U.S. should promote an East Asian organization to resist Communist aggression. The contribution of each nation should be "determined and integrated". Each nation should "understand" and "accept" its role in the organization.

3. Native forces should be trained for defense and to take "advantage . . . of favorable situations arising . . . [as a result of the][3] cumulative effects of constant pressure against the enemy". They should be prepared to fight at home and "in task force operations in other Asian countries".

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[1] Drafted by Franklin L. Mewshaw of the Bureau of Far Eastern Affairs.

[2] Tabs B through E are not printed.

[3] Brackets and ellipses are in the source text.

4. We must "clearly demonstrate" our readiness to use nuclear weapons in the event of aggression, "but only against military targets".

5. The U.S. can and must resolve the outstanding differences among the East Asian countries.

6. All U.S. armed forces in the Pacific should be placed under a single Command. For political, economic, psychological and cultural exchange there should be a unified regional organization "comparable to that in the NATO framework".

7. U.S. troops should be redeployed from Korea and Japan and replaced by equivalent native divisions.

8. U.S. representation in East Asia should be strengthened.

[Tab A]

U.S. POSITION IN THE FAR EAST: AN APPRECIATION

General Van Fleet's appreciation of the situation in the Far East proceeds from the assumption that we are engaged in a global conflict with the Communist powers in which Asia is the active theatre and Communist China is the "chosen instrument" of the Soviet Union. The way to meet this conflict, Van Fleet maintains, is to take the offensive. He discounts the idea that offensive operations against Communist China would bring Soviet intervention by asserting that the Soviet Union will do nothing to endanger the "base for the world revolution" i.e. the Soviet Union itself. This being so, Communist China is at present a greater threat to us than the Soviet Union.

The immediate task, Van Fleet says, is to subtract China from the Soviet orbit before China wins control of Japan and Southeast Asia. We had the chance to do this both in Korea and Indochina but a failure in American leadership prevented it. What must be done now is to recognize the military threat posed by Communist China and to prepare to meet if offensively when the next Chinese aggression occurs.

American leadership must be forcefully asserted toward this end. Our European allies must be made to realize that the fall of Southeast Asia would inevitably lead to the fall of Western Europe to Communism. The same is true of Japan. In Southeast Asia itself we must take advantage of the prevailing nationalist sentiment and break decisively with colonialism. In East Asia we must equip and prepare the Chinese and Korean armies for offensive operations. These countries must be "integrated" under our leadership with Japan and the Philippines so that the negligible strength of the components can be merged to create the considerable strength of the whole.

In the short-run American leadership must clearly mark the limits beyond which we will not tolerate Communist aggression. At the same time we must maintain constant pressure against the enemy.

When the next Chinese Communist aggression occurs we must take the offensive. Since this is most likely to occur against Formosa or its subsidiary islands, the Chinese Nationalists are the most likely to be in a position to spearhead the offensive. This should take the form of an invasion of Hainan Island and the subsequent establishment of the Chinese Nationalist forces on the mainland through the isolation and invasion of the Liaotung Peninsula.

Although he does not specifically project his strategy beyond this point, Van Fleet implies that the ultimate defeat of the Chinese Communists might bring about a situation where Japan would be in a position to reestablish itself in Manchuria.[4]

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[4] The Van Fleet report was discussed at the meeting of the National Security Council on Oct. 28, 1954. The memorandum of discussion reads in part: "The President said that he was trying to decide what disposition to make of the Van Fleet report. He also inquired whether there was anything in the original directive to General Van Fleet which would have permitted him to go so far afield in his report. Mr. Cutler replied that there was nothing which would have so authorized General Van Fleet." (Memorandum drafted by Gleason that day; Eisenhower Library, Eisenhower papers, Whitman file) NSC Action No. 1258–a, taken at this meeting, reads: "[The National Security Council:] a. Noted and discussed a summary of that part of General Van Fleet's personal report on his recent mission to the Far East which dealt with national security policy, as read at the meeting by Cutler." (S/S–NSC (Miscellaneous) files, lot 66 D 95)

For a longer excerpt from the memorandum, including further material on the Van Fleet report and full text of NSC Action No. 1258, see volume XIV.

OCB files, lot 62 D 430

Memorandum by the Regional Director for Far East Operations in the Foreign Operations Administration (Moyer) to the Director of the Foreign Operations Administration (Stassen)

SECRET [WASHINGTON,] October 27, 1954.

MILITARY AND ECONOMIC ASSISTANCE PLANNING IN THE FAR EAST

Discussions with FOA Mission Directors and reflection on current problems in the Far East, during the recent FOA meeting in Manila,[1] brought out certain questions bearing on our programs in the Far East that I feel I should bring to your immediate attention.

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[1] A Far East Regional Conference of the FOA was held at Manila Sept. 20-24. A record of its sessions, dated Oct. 2, is in U/MSA files, lot 56 D 551, MISC/RA-75.

These questions relate to the total impact on countries of this area involved in plans under consideration for support to indigenous military forces, and to the future United States funding that such plans will require. They suggest that a fresh look ought to be taken at the role of these forces in overall plans to attain our security objectives in the Far East. They raise, in my opinion, the fundamental question whether the free world defense against Communism in the Far East would not be achieved more certainly by less emphasis on programs building up such forces, and more emphasis on aid strengthening government administration, building up strong internal security forces, and assisting economic development.

Specifically, should the force levels in Vietnam, Cambodia and Laos not be substantially below these initially proposed? Will the expansion of armed forces in Thailand and the Philippines achieve the mutual objectives which the United States shares with these countries? What about the size of the force levels in Korea and Formosa? Should larger sums than now contemplated be applied to programs building up internal police and security forces and to economic assistance?

One reason for raising these questions is the extremely heavy cost to the United States in which I think we become involved in giving support to the indigenous military forces. Practically none of the Far Eastern countries can finance the cost out of their own resources; they must of necessity fall back upon the United States for the additional financing that is necessary. If current plans and proposals for aid to these forces are carried out, budgetary and direct forces support of considerable magnitude will be required for some years to come, to supplement the revenues of the countries concerned. This support from the United States will be required until such time as the economic development of these countries can make them more nearly self-supporting and this, with the possible exception of Japan, cannot be anticipated within the next decade. Abrupt termination or even substantial reduction of United States support, before self-support is achieved, would lead to serious internal difficulties, perhaps chaos.

Moreover, many countries of the area, notably Korea, Vietnam, Cambodia, Laos and Thailand, lack the administrative competence to handle successfully the internal political and economic problems that arise in attempting to build up large modern military forces. There is danger, as I think we now see to some extent in Korea, that the country may build up a top-heavy military structure which, in its total effect, will contribute more to internal instability than to stability.

United States planning, of course, cannot overlook the need to prepare against the potential danger of overt Communist attack. A more likely immediate threat in most of these countries, however, is from internal subversion accompanied by the instigation or exploitation of civil wars. The pattern of Communist penetration in the Far East has consistently started with propaganda activities and the organization internally of a Communist apparatus, eventually of guerrilla and other armed forces. Assistance has been given from the outside only to activities that first have taken root internally. Our major immediate effort in most of these countries, it seems to me, should be directed at meeting this initial internal threat, by a flexible combination of political, psychological, economic, military and police actions or programs. The problem is to stop Communism before it gains strength.

If that principle is sound, a wise policy in the immediate future would be to concentrate more on such a flexible program of action as may be required to bolster morale, stabilize legal governments, stabilize the economies of these countries and assist them in controlling subversion. More limited objectives should perhaps be sought in military assistance and training with immediate emphasis, in countries like Vietnam and Thailand, on programs directed at the building up of strong elite internal security forces. In certain cases it may at the same time be in the U.S. interest to pay the price in military and economic support to maintain regular military forces of high fighting capabilities; but in those cases we should move in full awareness of the problems that may be created.

Taking Vietnam as an example, it would seem to me that emphasis in an immediate program of action would reasonably concentrate on:

(a) Such military assistance and training consistent with the armistice agreement as is required to build up strong internal security forces, including police forces, extending such assistance and training only to selected nationals now serving in the Vietnamese army or constabulary and the French Expeditionary Corps;

(b) Immediate expansion of economic programs to

(1) Build up administrative competence,
(2) Meet need widely felt by the people,
(3) Develop the country's economic potential, and
(4) Resettle persons displaced by war, starting them on productive endeavors.

Editorial Note

For the memorandum of the discussion at the 221st meeting of the National Security Council, held in Washington on November 2, 1954, see volume XIV. For convenience, a portion is repeated here:

> " [Cutler] went on to point out that he was disturbed by the several conflicts in our existing policy papers on the Far East, and asked Secretary Dulles if it would not be desirable for the Planning Board to undertake a new paper which would sketch the broad principles and policy of the United States vis-à-vis the Far East. Secretary Dulles replied that he thought this would be a very desirable job for the Planning Board, although it would be a very tough one, and the Planning Board would have his sympathy. It was hard to find any element of fixity in such a fluid situation as confronted us in the Far East. Nevertheless, it was one of the great advantages of a democratic government that our policies could have flexibility, whereas the totalitarian government of the Soviet Union required fixity of position.
>
> "Noting that the Japanese Prime Minister would be coming to Washington next week, Secretary Dulles said that the new Planning Board paper should take account of Japan, that great prize in the Far East, and that the paper should also take account of the impact on Europe of policies of the United States in the Far East. Governor Stassen recommended that the new paper also include the problem of U.S. trade policies toward Communist China. Secretary Dulles said we need not worry about that, for trade policies with Communist China would certainly be raised by Prime Minister Yoshida when he reached Washington. The Japanese were currently expecting more from a revival of trade with Communist China than they would actually ever get." (Eisenhower Library, Eisenhower papers, Whitman file)

For documentation on the visit of Prime Minister Yoshida, who arrived in Washington on November 7, see volume XIV.

NSC Action No. 1259–d, taken at the November 2 meeting, reads: "Directed the NSC Planning Board to prepare, for early Council consideration, a broad restatement of U.S. policy toward the Far East, including controls on trade with Communist China, in the light of the above discussion, recent decisions, and the existing situation." (S/S–NSC (Miscellaneous) files, lot 66 D 95)

FE files, lot 55 D 480

Memorandum by the Economic Coordinator in the Bureau of Far Eastern Affairs (Baldwin) to the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) [1]

SECRET [WASHINGTON,] November 2, 1954.

Subject: Asian Economic Aid Program Developments

Perusal of the attached material will give you a fairly good idea of the background of the Asian economic aid program developments. My memorandum of October 20 to the Under Secretary [2] was designed for this purpose. The report of the Asian Economic Working Group was the first prepared material on the subject. The paper of October 25, entitled "Future United States Economic Assistance for Asia, Proposed State Department Position" [3] reports the outcome of several interdepartmental meetings which were called to develop a Departmental position at the outset of the deliberations of the NSC *ad hoc* committee to be chaired by Mr. Hoover. (See attached NSC memorandum of October 25.) [4] The first meeting of that committee has been postponed twice. The committee is expected to produce at least an interim report for a meeting of the NSC Planning Board scheduled for November 15 and for consideration by the NSC on the 18th or 20th.

I am not happy about the current status of this matter.

When, several months ago, I first organized a group to give careful consideration to means by which the U.S. might, by economic means, more effectively develop resistance to Communism in free Asia, we started our thinking on the basis of the following assumptions:

(a) The U.S. and the rest of the free world could not afford to continue to suffer further reverses by the Communists in Asia.

(b) In the near future the Communists could be expected to place great emphasis upon efforts to extend their influence and control by means short of open warfare; among these means would be exploitation of all elements of economic weakness and resultant political weakness.

(c) Something more than we have already done in Asia will be necessary to prevent further Communist gains.

The results of the study which was based upon these premises are indicated in the somewhat lengthy report of my working group. All of us who participated in the preparation of this report were of the opinion that whatever the U.S. might do in the economic field should be big, well-conceived, effectively announced, and efficiently executed. While avoiding any suggestion that what we had in mind was a Marshall Plan for Asia, we did feel that an economic plan which would have a psychological effect somewhat similar to that of the Marshall Plan in Europe was needed—something which would really arouse the interest and enthusiasm of free Asians and constitute a set-back to the Communists.

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[1] Sebald became Deputy Assistant Secretary Nov. 1.

[2] Not found in Department of State files.

[3] Not printed.

[4] Not found attached.

As our idea has moved through the Department it has, I feel, been very considerably scaled down. This has, I think, been partly due to a tendency in some quarters to think of the program first in terms of what would be "acceptable" to the Congress and secondly in terms of what would best serve U.S. interests. I have personally felt and continue to feel that the latter point is the one which should guide the Department's activities in the matter; that the question of selling any plan which might be developed to Congress should be left to the President and the Secretary. I cling to the belief that there are very few things which the American people would not be willing to undertake today if they and their representatives in Congress were convinced that the result would be effectively anti-Communist.

The most important immediate difficulty in the matter, however, is the fact that consideration has bogged down in the upper levels of the Department. The opening meeting of the official committee has been postponed twice and no date for the meeting is now set. As far as I am aware, Mr. Hoover has not been able to obtain the Secretary's clearance of the paper dated October 25 (copy attached) which is supposed to contain the Department's position—at least at the commencement of the *ad hoc* committee sessions. Presumably all of this is a result of pressures on the 5th floor but valuable time is passing.

S/P-NSC files, lot 62 D 1

Draft of National Security Council Paper Prepared in the Department of State [1]

TOP SECRET [WASHINGTON,] November 12, 1954.

U.S. POLICY TOWARD THE FAR EAST

PROBLEM

1. The primary problem of U.S. foreign policy in the Far East is to cope with the serious threat to U.S. security interests which has resulted from the spread of hostile Communist power on the continent of Asia over all of Mainland China, North Korea and, more recently, over the northern part of Viet Nam.

2. In its five years of power, the regime in Communist China has established and consolidated effective control over the territories it dominates, and maintained and developed close working relations with the Soviet Union. Inherently such regimes have elements of rigidity and instability which might produce crises or breakdown unexpectedly, but there is now no reason to anticipate an early collapse nor any basis for foreseeing when one might occur. While the ability of the regime to consolidate its position was in doubt, it was reasonable to hope that external pressures, such as harassing actions against the mainland and its commerce, might reinforce efforts of opponents within the country to block or delay that process. Under present conditions, that premise is no longer tenable. While it is not necessary to assume the permanency of the present regime, it seems most unlikely that external pressures or actions can bring about or hasten its downfall or materially weaken its ties with the Soviet Union. At the same time, we should be ready to exploit any opportunities which might occur as a result of inherent internal weaknesses.

3. The task of U.S. coping with this situation is further complicated by:

a. the vulnerability of the non-Communist countries in the area militarily, and in varying degrees, politically, economically, and psychologically, to further Communist expansionist efforts;

b. the deep-seated national antagonisms and differing assessments of national interest which divide these countries from each other and severely hamper efforts to combine their collective resources for their own defense and welfare;

c. the intense nationalistic feelings, fed by residual resentments against European colonialism coupled with a widespread feeling of weakness and inadequacy in the face of the worldwide power struggle, which inhibit many of these countries from cooperating closely with the United States; and

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[1] This paper is marked "State Draft". Indication has not been found in Department of State files whether or not the draft had been prepared in conjunction with or otherwise coordinated with the NSC Planning Board.

d. the divergencies on Far Eastern policy with our European allies, principally with respect to our posture toward China, which limit the extent of political and economic pressures which can be maintained against the Asian Communist regimes without divisive effects on the basic U.S.-led coalition.

OBJECTIVES

4. Consistent with the basic policy of the U.S. to be clear and strong in its resolve to defend its vital interests but not provocative of war, the principal objectives of the U.S. in the Far East should be:

a. Preservation of the territorial and political integrity of the non-Communist countries in the area against further Communist expansion or subversion;

b. Progressive improvement of the relative power position of the non-Communist countries vis-à-vis that of the Asian Communist regimes.

5. In order to preserve the territorial and political integrity of the area, the United States should:

a. Maintain the security of the Pacific off-shore island chain (Japan, Ryukyus, Formosa, Philippines, Australia, and New Zealand) as an element essential to U.S. security; building such military strength in each area as conforms to its needs and capabilities and is consistent with domestic stability.

b. Conclude a Mutual Defense Treaty with the Republic of China, covering Formosa and the Pescadores, with appropriate safeguards against Chinese Nationalist offensive action. Such a treaty, when made and ratified, will replace the existing unilateral defense arrangement.

c. Encourage the conditions which will make possible formation of, and be prepared to participate in, a Western Pacific collective defense arrangement including the Philippines, Japan, the Republic of China and the Republic of Korea, eventually linked with the Manila Pact and ANZUS.

d. In the event of Communist overt armed attack against any country with which the U.S. does not have a security treaty, this evidence of a renewal of Communist aggressive purposes would constitute such a grave menace to the U.S. as to justify the President in requesting authority from Congress to take necessary action to deal with the situation, including the use of U.S. armed forces, if appropriate and feasible.

e. Assist where necessary and feasible non-Communist Governments and other elements in the Far East to counter Communist subversion.

6. In order to enhance the individual and collective strength of the non-Communist countries, the U.S. should:

a. Increase efforts to develop the basic stability and strength of non-Communist countries, especially Japan, and their capacity and will to resist Communist expansion.

b. Continue (1) to recognize the Government of the Republic of China and its right to represent China in the United Nations, and (2) to furnish direct support to its military establishment and its economy.

c. Encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible, based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the U.S. and other appropriate Western countries, through which, by united action, those free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence.

d. Take all feasible measures to increase the opportunities of free countries for trade with each other and with other free world countries.

e. Provide technical assistance to help develop political stability and economic health.

f. Develop and make more effective information, cultural, education and exchange programs for the countries concerned.

7. In order to retard the growth of the power and influence of the Asian Communist regimes, especially Communist China, the U.S. should:

a. Continue to refuse recognition of the Chinese Communist regime (as well as other Asian Communist regimes) but deal with it on a *de facto* basis when circumstances make this useful.

b. Continue to oppose its seating in the Security Council, the General Assembly, and other organs of the United Nations.

c. So long as the Chinese Communists are engaged in building up a war establishment and are motivated by hostility to the U.S. which appears more virulent than that of Soviet Russia, the U.S. should continue (1) to maintain stringent controls on strategic materials for China more severe than those on the Soviet bloc, and (2) to exert our influence on other free world countries to maintain the current level of trade restrictions, but be prepared to acquiesce in limiting such controls, if necessary to maintain the essentials, or to avoid serious friction with our allies, or to prevent nations needing Chinese trade—from accommodating with the Communist bloc.

d. Utilize U.S. information programs and covert means to create discontent and internal divisions within each of the Communist-dominated areas of the Far East, and to impair their relations with the Soviet Union and with each other, but refrain from assisting or encouraging offensive actions to harass Communist China or its commerce, and restrain the Chinese Nationalists from such actions.

790.5/11-1354: Telegram

The Secretary of State to the Embassy in the Philippines [1]

SECRET WASHINGTON, November 13, 1954—5:02 p.m.

1745. Evening Nov. 12 Secretary held informal dinner Blair House representatives signatories of Manila Treaty. Following dinner there was informal conversation on personal basis regarding follow-up of Manila meeting. Prince Wan suggested preliminary meeting all Council members in Bangkok in January even if ratifications not complete. This would not be meeting of Council which could only be convened after Treaty entered into effect but would be at Foreign Minister level. Purpose of meeting would be to discuss and agree on how Treaty would be implemented, particularly Article IV, paragraph 2, re subversion which all recognized of great importance. Secretary outlined his conversations with Senate leaders and Foreign Relations Committee re ratification and noted they had no objection to suggestions made by several signatories for quick follow-up Manila meeting. Emphasizing strictly informal nature this discussion at social gathering, Secretary suggested it be interesting to hear reactions to suggestions made for January meeting in Bangkok.

Australian, Philippine, New Zealand and Thai representatives agreed and emphasized necessity for immediate steps to make treaty visible reality in Asia. They stressed danger of subversion and necessity working out plans meet it. They agreed with New Zealand's suggestion for setting up working party in Washington prepare for preliminary meeting Bangkok and for anti-subversive program.

Pakistan Ambassador took no position re January meeting or working party and merely noted new government had not had time take up ratification but opinion in Pakistan not against treaty. French representative took similar line re French Government attitude.

UK Ambassador only representative to take negative view towards January meeting or working party. In his opinion council should not meet until majority of signatories had ratified treaty. [2]

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[1] Repeated to Bangkok, Karachi, Canberra, Wellington, London, and Paris.

[2] In telegram 2363 from London, Nov. 16, the Embassy reported:

"British Embassy has been instructed inform Department Eden in favor of January meeting in Bangkok but reluctant to commit himself to going personally and would prefer meeting be in nature of working party of Ambassadors or equivalent. Eden suggests preliminary tripartite discussions in Washington in order assure community of view on such problems as Indochina prior to Bangkok meeting of all signatories; perhaps presence of Mendes in Washington would afford appropriate opportunity for such discussions." (790.5/11-1654)

Continued

Above is for your information. Department intends follow up informal dinner conversation with suggestions Washington representatives query their governments for more official response re January meeting Bangkok and working group. US position strongly favors meeting at Bangkok and establishment of working group in Washington to undertake necessary preparations.

DULLES

Record of the British Embassy's representations in this matter at this time has not been found in Department of State files.

790.5/11-1654

Memorandum by the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Byroade) to the Secretary of State [1]

CONFIDENTIAL [WASHINGTON,] November 16, 1954.

Subject: India and our "Understanding" Attached to the Manila Pact

With reference to your memorandum to me of November 15, 1954, (Tab A) [2] your confidential guidance on the "Understanding", sent from Tokyo on September 10, was circularized the same day to New Delhi and other embassies (Tab B). [3] Basic guidance to our USIS posts on the treatment to be given the Manila Pact was contained in a circular telegram dated September 10, 1954 (Tab C). [4] This directed that stress on the United States' "Understanding" should be avoided so as not to stimulate the belief that the United States stood on a different basis from other signatories.

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[1] Drafted by Harold George Josif of the Office of South Asian Affairs and by Henry T. Smith, Acting Director of that office.

A marginal notation by O'Connor indicates that the comments noted below were made by the Secretary.

[2] This memorandum, drafted by Dulles personally, reads as follows:

"I am curious to know whether we ever attempted to make an asset out of the fact that we insisted on limiting the Manila Pact (Article IV (1)) to "Communist" armed attack. The result was to avoid what might seem to be a general alliance with Pakistan as against India. This was, of course, not pleasing to the Pakistani but it showed clearly our unwillingness to get involved as a partisan in possible disputes between India and Pakistan.

"So far as I am aware, there has never been any indication by India of appreciation of our position in this respect. We were the only one of the parties to take this position."

[3] In this circular telegram the Department of State had briefly summarized the negotiatory history of the "Understanding" attached by the United States to the treaty. (File copy is guidance as transmitted in telegram 590 from Tokyo; 790.5/9-1054)

[4] Not found in Department of State files.

The reason for the insertion of the United States' "Understanding" was made quite clear at the time of the Manila conference by commercial information media. In addition the USIS wireless file carried the full text of your television report to the nation of September 15, in which you stated that we had stipulated "the only armed attack in that area which we would regard as necessarily dangerous to our peace and security would be a Communist armed attack".

While I am sure that Prime Minister Nehru and other Indian government leaders are aware of the reasons for the United States' "Understanding", there probably is a lack of comprehension on this point on the part of the average Indian. This could be remedied to some extent if we wished to [5] risk emphasizing our differences on this matter with the other signatories of the Manila Pact, and possibly creating an adverse impression on public opinion in Pakistan.

I consider that our "Understanding" has had some effect in making the Indian reaction to the Manila Pact less hostile than it would otherwise have been. Whether further advantage can be gained from it in our relations with India is open to question: [6] India's opposition to the Manila Pact was not based on Pakistan's participation in it nearly so much as on the fear that it would increase international tensions in Southeast Asia, lead to interference in internal affairs of Asian nations under certain circumstances, and obstruct India's hopes to maintain its own leadership in Southeast Asia. In addition Prime Minister Nehru made the point that NATO had been used to raise issues for consultation with regard to an area outside the protected region (namely Goa), and that the same might happen in connection with the Manila Pact.

It was probably because of these objections to the basic approach of the Manila Pact that Indian leaders have never, to my knowledge, expressed appreciation of our "Understanding". It is clear however, that Indian objections to the Manila Pact have not approached the intensity of their objections to our military aid to Pakistan.

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[5] Next to this sentence is the following handwritten notation: "No". The words "if we wished to" are underlined by hand.

[6] Next to this sentence is the following handwritten notation: "I agree". The words "open to question" are underlined by hand.

S/P-NSC files, lot 62 D 1

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Director of the Policy Planning Staff (Bowie) [1]

TOP SECRET [WASHINGTON,] November 17, 1954.

Subject: FE Comments on Attached NSC Draft—"U.S. Policy Towards the Far East"

FE recommends that the following revisions be made in the text of the NSC draft paper dated November 12 [2] on "U.S. Policy Towards the Far East". An explanation of these recommendations is included as Tab A.

Paragraph 2 —Eliminate all but the first sentence and add the following language after the first sentence: "While there is now no reason to anticipate an early collapse of the regime nor any means of seeing when one might occur, inherently such regimes have elements of rigidity and instability which might produce crises or break down unexpectedly. We should be ready to exploit any opportunities which might occur as a result of inherent internal weaknesses."

Paragraph 5b—Add the words "except by joint agreement" to the end of the first sentence.

Paragraph 5d—In the first sentence insert the words "or imminent threat of such attack" between the words "attack" and "against".

Paragraph 6b—Insert the words "as the only Government of China" between the words "China" and "and".

Paragraph 7—Insert the words "weaken, or" between the words "to" and "retard", and a comma after the word "of" in the first line.

Paragraph 7a—Eliminate the last part of the sentence, beginning with "but", and substitute the following language: "and deal with it only on a local basis and only in regard to strictly limited subjects where the regime is a necessary party at interest".

Paragraph 7c—Eliminate the entire paragraph and substitute the following: "Maintain the embargo on U.S. trade with Communist China and continue to exert our influence on other free world countries for the maintenance of the current level of trade restrictions against Communist China, without, however, exerting our influence in such a manner as would be seriously divisive."

Paragraph 7d—Eliminate the whole paragraph and substitute the following: "Create discontent and internal divisions within each of the Communist dominated areas of the Far East, impair relations of the Asian Communist regimes with the Soviet Union and with each other, and impede actions taken by these regimes to increase their war-making capacity by all feasible overt and covert means consistent with the basic policy 'not to be provocative of war'."

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[1] Drafted by Edwin W. Martin, Deputy Director of the Office of Chinese Affairs.

[2] *Ante*, p. 961.

[Tab A]

Explanation of Recommended Changes

Paragraph 2—For the past two or three years at least there has been no expectation that an early collapse of the Chinese Communist regime would occur. The policy of applying external pressures to Communist China was not based on an expectation that these pressures would bring about such a result, although it was recognized that they might encourage resistance within Communist China to consolidation of the Peiping regime's power. Such pressures have been designed, however, to weaken, or at least retard the growth of, the power of a regime which has from the beginning been intensely hostile to the United States and which continues to threaten our security interests. FE believes that we should continue to pursue a policy of external pressures against Communist China for this purpose.

Paragraph 5b—It should be recognized that under some circumstances offensive actions by the Chinese Nationalists would be in the interests of the United States. Thus the door should not be closed to all offensive action by the Nationalists. We should, however, protect ourselves against offensive actions which would be detrimental to U.S. interests.

Paragraph 5d—Circumstances may arise under which a Presidential request for Congressional authority prior to an actual armed attack would be advantageous. It might act as a deterrent to aggression, or if not, would at least enable U.S. forces to move more rapidly when the attack occurred.

Paragraph 6b—FE feels that it is an important part of our present policy that we recognize the Government of the Republic of China as the only Government of China, that this policy should be continued, and that this should be stated specifically in the paper.

Paragraph 7—While the policies set forth under this paragraph can be justified solely on the grounds that they will tend to retard the growth of the power and influence of the Asian Communist regimes, it should be made clear that it would also serve the U.S. interest to weaken these regimes in absolute terms by whatever courses of action can be devised under these policies. Opportunities for weakening them may arise in the future which do not exist now.

Paragraph 7a—FE feels that the second half of the sentence in paragraph 7a (beginning with "but") is too broad and could easily be misinterpreted to authorize a wide range of dealings with the Chinese Communist regime even though formal recognition is not extended. Actual practice has been to deal with Peiping on a very limited basis where such contact was unavoidable in order to obtain specific U.S. objectives. Examples have been the Armistice negotiations in Korea and subsequent discussions on the Korean Political Conference at Panmunjom,[3] the Geneva Conference, and direct negotiations on Americans detained in Communist China.[4]

Paragraph 7c—This paragraph fails to recognize that the U.S. controls not merely strategic items but embargoes all trade and financial transactions with Communist China. On the basis of this paragraph U.S. goods which were not classified as strategic could be traded with Communist China and U.S. and foreign nationals would be able to engage in financial transactions in connection with such trade. Such a policy would make it considerably easier for the Chinese Communists to dispose of exports which are surplus to the requirements of the Soviet bloc. Without the U.S. market Communist China has been experiencing difficulty in disposing of surplus exports. On the financial side it would relieve the pressure on Communist China's meager foreign exchange reserves. FE opposes such relaxation on U.S. trade and financial controls and believes that total U.S. embargo of trade and financial dealings with Communist China should be maintained.

As to the second part of *paragraph 7c*. While it is recognized that there are limits beyond which it would be counterproductive to go in exerting influence on our allies to maintain the current level of their trade restrictions, FE believes that the United States should maintain its prior position that the overall interests of the free world are best served by the maintenance of current multilateral control of trade with Communist China. Any acquiescence in a relaxation of China controls for the purposes stated in Section 7c (2) would tend to become a full retreat to the relatively low level of controls now applied multilaterally against the Soviet bloc. There are no persuasive technical or political criteria which could clearly justify a level of strategic controls intermediate between present multilateral China controls and controls against the Soviet bloc. Since the goods Communist China most desires from the free world are those on the present multilateral China control lists, there could be no significant increase in free world-China trade without a very substantial reduction in the China strategic list. While it is true that many China list items can be transshipped from the European Soviet bloc to Communist China, such transshipment is generally costly and inefficient. It imposes an added burden on the Communist bloc which we should do nothing to lighten.

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[3] For documentation, see volume XV.

[4] For documentation, see volume XIV.

Paragraph 7d—The suggested substitution protects our basic position but leaves us free to deal with changing situations.

Secretary's Memoranda of Conversation. lot 64 D 199

Memorandum of Conversation, by the Assistant Secretary of State for European Affairs (Merchant)

SECRET [WASHINGTON,] November 17, 1954.

Subject: Manila Pact

Participants: The Secretary
M. Mendes-France
Ambassador Bonnet
Livingston T. Merchant

The Secretary inquired of the French Premier [1] what the prospect was for ratification by France of the Manila Treaty. M. Mendes-France replied that after careful study he had reached the conclusion that ratification by the French Assembly was not necessary for the Manila Treaty. He said others held contrary views, however. His intention is to send it in the immediate future to the Foreign Affairs Commission of the Assembly for information, study and discussion. After giving them sufficient time, possibly a month or so, to study it, it was his intention then for the Government to ratify it. This presumably would afford ample opportunity for the assembly to take action itself on the Treaty if it should develop that the Commission believed this was constitutionally necessary. He did not indicate any doubt over the question of ratification although he indicated that he did not expect it until shortly after the turn of the year.

The Manila Charter, Mr. Mendes-France said, clearly required no Assembly action and he would sign it at once.

The Premier then raised the question of the proposal for a meeting in Bangkok in January. He said he had grave doubts as to the desirability of such a meeting, particularly if it were held at a Foreign Minister level. It might make difficulties for him in the Assembly since it could be construed as jumping the gun. He went on to say that he preferred, as apparently did the British, a tripartite meeting in Washington at which he would be represented by the French Ambassador.

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[1] Mendès-France arrived in Washington on Nov. 17 for talks which lasted through Nov. 20. For additional documentation on this visit, see vol. XIII, Part 2, pp. 2264 ff., and volume VI.

The Secretary acknowledged the validity of the points made but emphasized that he had had in mind only consideration of procedural rather than substantive matters at any meeting prior to the Treaty coming into force. He said there was much that must be considered and decided concerning organization.

Mendes-France said that he would have no objection to working group meetings in Washington at the ambassadorial level and said that he understands this would be acceptable to the British.

The Secretary expressed the general understanding of the Premier's point of view but did not commit himself.

790.5/11-1854: Telegram

The Ambassador in the United Kingdom (Aldrich) to the Department of State [1]

SECRET LONDON, November 18, 1954—5 p.m.

2404. Today's London press reports talks between MacDonald and Australian officials centered on commitment of Australian troops to SEA. "Authoritative sources" quoted as saying Australia had agreed earlier this year send battalion and fighter wing to Malaya to be available either within Manila pact framework or as part of Commonwealth defense planning.

Embassy comment: It now generally understood by military planners in UK, Australia and NZ that US uninterested in peacetime either in stationing troops in SEA or in joint military planning for SEA. Accordingly, it has been decided to go ahead with implementation of Melbourne proposals developed by Harding last year (Embassy despatch 2499 December 8, 1953). [2] As result of close military consultation UK has fairly good idea of what Australia and NZ would be prepared to do in case of war; nevertheless UK would like to "tidy up" the planning for the area. Hence MacDonald's visit. Once this exercise completed, it is planned to present results to

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[1] Repeated for information to Canberra and Wellington.

[2] Apparent reference to telegram 2499 of that date, p. 357.

Washington with request for comment and such coordination as US prepared extend.[3]

ALDRICH

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[3] In despatch 242 from Canberra, Nov. 26, the Embassy cabled that MacDonald had discussed mainly political and economic questions with Australian officials, leaving the discussion of specific military and defense matters to General Loewen and Admiral Lambe, who were in Australia on a simultaneous, but apparently independent, visit.

"While it is understood that General Loewen has engaged in direct military talks with Australian Defense Department officials at Melbourne during the present week, it is believed that major policy decisions with respect to active Australian participation in the defense of Malaya and the stationing of forces there will be deferred until the British Commonwealth Prime Ministers' Conference in London now understood to be scheduled for January." (790.5/11-2654)

S/S-NSC files, lot 63 D 351, NSC 5429/3

Note to the National Security Council by the Executive Secretary (Lay)

TOP SECRET [WASHINGTON,] November 19, 1954.
NSC 5429/3

CURRENT U.S. POLICY TOWARD THE FAR EAST

References:

A. NSC 5429/2
B. NSC 166/1
C. NSC 152/3[1]
D. NSC Action No. 1148[2]
E. NSC 146/2
F. Memos for NSC from Executive Secretary, subject, "U.S. Objectives and Courses of Action With Respect to Formosa and the Chinese Nationalist Government," dated September 28 and October 5, 1954,[3] and NSC Action No. 1235[4]
G. NSC Action Nos. 1224 and 1234[5]
H. NSC Action No. 1250[6]

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[1] For the report entitled "Economic Defense", June 18, 1954, see vol. I, Part 2, p. 1207.

[2] See footnote 6, p. 537.

[3] These two memoranda from Lay transmitted to the NSC information concerning NSC 146/2; see volume XIV.

[4] Included with the extracts from the memorandum of discussion at the NSC meeting Oct. 6, 1954, *ibid.*

[5] Included with the extracts from the memorandum of discussion at the NSC meetings Sept. 12 and Oct. 6, 1954, *ibid.*

[6] Included with the extract from the memorandum of discussion at the NSC meeting Oct. 22, printed in vol. XIII, Part 2, p. 2153.

I. NSC Action No. 256
J. NSC 125/2 and 125/6
K. NSC 170/1
L. NSC 171/1
M. NSC 5405
N. NSC Action Nos. 1086 [7] and 1112 [8]
O. NSC Action Nos. 1258 [9] and 1259 [10]

The enclosed statement of policy was prepared by the NSC Planning Board, pursuant to NSC Action No. 1259-d, in the light of the existing situation and of the report by the Secretary of State referred to in NSC Action No. 1258-a, [11] the discussion referred to in NSC Action No. 1258-b, [12] the recent decisions referenced above (F, G and H), NIE 13-54 "Communist China's Power Potential Through 1957", [13] and drafts of NIE 10-7-54 "Communist Courses of Action in Asia Through 1957". [14] It is transmitted herewith for consideration by the National Security Council at its meeting on December 1, 1954.

A Financial Appendix covering the Far East is not submitted with this report, but one will be prepared for the information of the Council at a later meeting.

The enclosed policy, if adopted by the Council and approved by the President, is intended to supersede NSC 5429/2 and to guide the implementation of all other existing Far East policies (references B-N), modifying them where inconsistent, pending Planning Board and Council review and revision of these more particular policies.

It is recommended that, if the Council adopts the enclosed statement of policy, it be submitted to the President with the recommendation that he approve it, and direct its implementation by all appropriate executive departments and agencies of the U.S. Government, subject to review in the light of final decisions on basic national security policy, and designate the Operations Coordinating Board as the coordinating agency.

JAMES S. LAY, JR.

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[7] Included with the extract from the memorandum of discussion at the NSC meeting Apr. 6, vol. XIII, Part 1, p. 1250.

[8] See footnote 2, p. 463.

[9] See footnote 4, p. 955.

[10] See the editorial note, p. 958.

[11] Action No. 1258-b is meant here.

[12] Action No. 1258-a is meant here.

[13] See volume XIV.

[14] Drafts not found in Department of State files; see the editorial note, p. 991.

[Enclosure]

DRAFT

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON CURRENT U.S. POLICY IN THE FAR EAST

GENERAL CONSIDERATION

1. The primary problem of U.S. policy in the Far East is to cope with the serious threat to U.S. security interests which has resulted from the spread of hostile Communist power on the continent of Asia over all of Mainland China, North Korea and, more recently, over the northern part of Viet Nam.

2. In its five years of power, the regime in Communist China has established and consolidated effective control over the mainland and has maintained and developed close working relations with the Soviet Union. [While there is now no reason to anticipate an early collapse of the regime nor any means of seeing when one might occur, inherently such regimes have elements of rigidity and instability which might produce crises or break down unexpectedly.] * We should be ready to exploit any opportunities which might occur as a result of inherent internal weaknesses.

3. The task of the United States in coping with this situation is further complicated by:

a. The vulnerability of the non-Communist countries in the area militarily, and in varying degrees, politically, economically, and psychologically, to further Communist expansionist efforts.

b. The deep-seated national antagonisms and differing assessments of national interest which divide these countries from each other and severely hamper efforts to combine their collective resources for their own defense and welfare.

c. The intense nationalistic feelings, fed by residual resentments against European colonialism coupled with a widespread feeling of weakness and inadequacy in the face of the worldwide power struggle, which inhibit many of these countries from cooperating closely with the United States.

d. The divergencies on Far Eastern policy with our European allies, principally with respect to our posture toward China, which limit the extent of political and economic pressures which can be maintained against the Asian Communist regimes without divisive effects on the basic United States-led coalition.

Note: In addition to the foregoing general considerations, attention is directed to NIE 13–54, "Communist China's Power Potential Through 1957," published June 3, 1954, and NIE 10–7–54, "Communist Courses of Action in Asia Through 1957," forthcoming at an early date.

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*CIA does not concur. [Brackets and footnote in the source text.]

OBJECTIVES

4. Pursuant to a policy of being clear and strong in its resolve to defend its vital interests, if necessary at the risk of but without being provocative of war, the principal objectives of the United States in the Far East should be:

a. Preservation of the territorial and political integrity of the non-Communist countries in the area against further Communist expansion or subversion.

b. Progressive improvement of the relative political, economic and military position of the non-Communist countries vis-à-vis that of the Asian Communist regimes.

c. Reduction of [relative] † Chinese Communist power and prestige.

d. Disruption of the Sino-Soviet alliance through actions designed to intensify existing and potential areas of conflict or divergence of interest between the USSR and Communist China.

[e. Creation in non-Communist Asia, and ultimately within Communist China, of political and social forces which will zealously spread the greater values of the Free World and simultaneously expose the falsity of the Communist ideological offensive.] ‡

COURSES OF ACTION

5. In order to preserve the territorial and political integrity of the area, the United States should:

a. Maintain the security of the Pacific off-shore island chain (Japan, Ryukyus, Formosa and the Pescadores, the Philippines, Australia, and New Zealand) as an element essential to U.S. security; assisting in developing such military strength in each area as is required by U.S. security and is consistent with each area's capability and maintenance of domestic stability. [15]

b. In the event of unprovoked attack on the Republic of Korea, employ, in accordance with Constitutional processes, U.S. armed forces against the aggressor. While supporting the unification of Korea by all peaceful means and maintaining appropriate safeguards against ROK offensive action, continue military and economic assistance programs consistent with Korea's capability and maintenance of domestic stability, subject to continued ROK cooperation.

c. Conclude a Mutual Defense Treaty with the Republic of China covering Formosa and the Pescadores, together with appropriate safeguards against Chinese Nationalist offensive action except by joint agreement. Pending the negotiation and ratification of such a treaty, continue the existing unilateral arrangement to defend Formosa and the Pescadores (excluding the Nationalist-held off-shore islands).

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† Defense, JCS and ODM propose deletion. [Brackets and footnote in the source text.]

‡ Proposed by Defense, JCS, Commerce, ODM, FOA and CIA. [Brackets and footnote in the source text.]

[15] On the source text, the following clause (in an unidentified hand) is added to this sentence: ", and seek to maintain a non-Communist Indonesia".

For the present, seek to preserve, through United Nations action, the *status quo* of the Nationalist-held off-shore islands; and, without committing U.S. forces except as militarily desirable in the event of Chinese Communist attack on Formosa and the Pescadores, provide to the Chinese Nationalist forces military equipment and training to assist them to defend such off-shore islands, using Formosa as a base. However, refrain from assisting or encouraging offensive actions against Communist China, and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.

d. In the event of Communist overt armed attack in the area covered by the Manila Pact prior to the entering into effect of the Pact, take actions necessary to meet the situation, including a request for authority from Congress to use U.S. armed forces, if appropriate and feasible. When the Pact is in effect, be prepared to oppose any Communist attack in the Treaty area with U.S. armed forces if necessary and feasible, consulting the Congress in advance if the emergency permits.

e. In the event of Communist overt armed attack or imminent threat of such attack against any other country in the area (not covered by a security treaty to which the United States is a party), this evidence of a renewal of Communist aggressive purposes would constitute such a grave menace to the United States as to justify the President in requesting authority from Congress to take necessary action to deal with the situation, including the use of U.S. armed forces, if appropriate and feasible.

f. In the event of unprovoked Communist armed attack on the personnel, aircraft or vessels of the United States, promptly take punitive action including the use of armed force if necessary and appropriate.

g. Encourage the conditions necessary to form as soon as possible and then participate in, a Western Pacific collective defense arrangement including the Philippines, Japan, the Republic of China and the Republic of Korea, eventually linked with the Manila Pact and ANZUS.

h. If requested by a legitimate local government which requires assistance to defeat local Communist subversion or rebellion not constituting armed attack, the United States should view such a situation so gravely that, in addition to giving all possible covert and overt support within the Executive Branch authority, the President should at once consider requesting Congressional authority to take appropriate action, which might if necessary and feasible include the use of U.S. military forces either locally or against the external source of such subversion or rebellion (including Communist China if determined to be the source).

i. Assist where necessary and feasible non-Communist Government and other elements in the Far East to counter Communist subversion and economic domination.

j. Maintain sufficient U.S. forces in the Far East as clear evidence of U.S. intention to contribute its full share of effective collective aid to the nations of the area against the Communist threat, and to provide assurance to the people of the Far East of U.S. intent and determination to support them in the event of Communist aggression.

6. In order to enhance the individual and collective strength of the non-Communist countries, the United States should:

a. Increase efforts to develop the basic stability and strength of non-Communist countries, especially Japan and India, and their capacity and will to resist Communist expansion.

b. Continue (1) to recognize the Government of the Republic of China as the only government of China and its right to represent China in the United Nations, and (2) to furnish direct support to its defense establishment and its economy.

c. Encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the United States and other appropriate Western countries, through which, by united action, those free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence.

d. Take all feasible measures to increase the opportunities of such countries for trade with each other and with other Free World countries.

e. Provide in South and Southeast Asia, through the economic grouping referred to in c above or otherwise, such economic and technical aid over an extended period as can be used effectively to accelerate the present slow rates of economic growth, and to give to the peoples in these areas a sense of present progress and future hope, which is currently lacking. [At present, it appears both necessary and feasible to increase materially the scale of assistance to South and Southeast Asia, which are most directly threatened by Communist expansion.] §

f. Develop and make more effective information, cultural, education and exchange programs; and expand the program for training of free Asian leaders [by organizing and subsidizing education centers in the area and utilizing and supporting U.S. facilities.] ||

g. Encourage the countries of the area to use qualified Americans as advisers and develop a program for training such persons [particularly in the broad political aspects of the countries concerned.]¶

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§ Treasury and Budget propose deletion. [Brackets and footnote in the source text.]

|| Budget proposes deletion. [Brackets and footnote in the source text.]

¶ ODM proposal. [Brackets and footnote in the source text.]

h. Seek, by intensifying covert and psychological activities, and by utilizing indigenous persons to the greatest extent feasible, to (1) increase the understanding and orientation of Asian peoples toward the Free World and (2) expose the menace of Chinese imperialism and world Communism.

i. Encourage and support, more vigorously and effectively, the application of private capital to the development needs of free Asian countries under arrangements avoiding "exploitation" yet acceptable to private interests.

7. [To stimulate Sino-Soviet estrangement, obtain maximum support from our principal Allies on a common Far Eastern policy, and gain a psychological advantage from taking a positive initiative, it is proposed that study be given to (1) the feasibility of negotiating a Far Eastern settlement which might include such elements as those below, and (2) measures which would facilitate such negotiation, including adequate pressure on the Chinese Communists.

a. Recognizing the existence of two Chinas, neither of which can be wiped out without a new world war.

b. Seating both Chinas in the UN Assembly, neither to have a seat on the UN Security Council, substituting India for China as a permanent member of the Security Council.

c. Opening trade (import and export) with Communist China on the same basis as with the European Soviet bloc. (In this connection consideration might be given to raising the COCOM controls on the European Soviet bloc, both with respect to commodity coverage and stringency of control, in order to provide a more realistic basis for effective and uniform controls towards the entire Communist bloc in Europe and Asia.)

d. Admitting Japan to the UN.

e. Unifying Korea by the withdrawal of foreign forces and the holding of free and supervised elections.

f. Obtaining the abandonment of subversive Communist pressures in South Viet Nam.

g. Obtaining an undertaking by China—for whatever value it might have—to refrain from providing physical or other types of support to subversive groups in any part of Asia.] **

**Proposed by Commerce and FOA (see also Annex B). [Brackets and footnote in the source text.]

8. [Meanwhile until such over-all settlement is reached and] †† in order to weaken or retard the growth of the power and influence of the Asian Communist regimes, especially Communist China, the United States should:

a. Continue to refuse recognition of the Chinese Communist regime and other Asian Communist regimes, but deal with each on a local basis and with regard to specific subjects where the regime is a party at interest.

b. Continue to oppose seating Communist China in the Security Council, the General Assembly, and other organs of the United Nations.

Proposed by State, Treasury, Budget and CIA	*Proposed by Defense, Commerce, ODM and JCS* (see also Annex B)
c. Maintain the embargo on U.S. trade with Communist China, and continue to exert our influence on other Free World countries for the maintenance of the current level of trade controls against Communist China; without, however, exerting our influence in such a manner as would be seriously divisive or lead nations needing Chinese trade to accommodation with the Communist bloc, provided that the level of controls applicable to the USSR is maintained.	c. Adopt the following policy: (1) Continue the U.S. embargo on Communist China. (2) Use the total bargaining position of the United States to gain acceptance of embargo or near embargo by all other non-Communist countries. (3) Reimpose more comprehensive and effective controls by the United States and other countries over the Soviet bloc in Europe to prevent transshipments to China. (4) Impose additional controls or limitations on exports to non-

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†† Proposed by FOA. [Brackets and footnote in the source text.]

Additional Sentence Proposed by FOA

To this end begin early consultations, particularly with the U.K. and France, looking toward agreement on China controls.

Communist countries that do not go along with the above to minimize leaks.

(5) Retain the U.S. total ban on imports from Communist China.

(6) Seek the imposition of similar import controls by non-Communist countries.

(7) Refuse to purchase Communist Chinese type goods from all non-conforming countries.

d. Utilize all feasible overt and covert means, consistent with a policy of not being provocative of war, [at the risk of but not provocative of war]‡‡ to create discontent and internal divisions within each of the Communist-dominated areas of the Far East, and to impair their relations with the Soviet Union and with each other, but refrain from assisting or encouraging offensive actions against Communist China, and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.

e. Continue the policy towards Indochina and Thailand stated in Annex A.[16]

9. a. The United States should attempt to convince the other Free World countries of the soundness of U.S. policies toward Communist China and toward the Republic of China and of the advisability of their adopting similar policies, without, however, imposing such pressures as would be seriously divisive.

b. In its Pacific role, the United States should be less influenced by European allies than in respect to Atlantic affairs.

10. a. The United States must keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues.

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‡‡ Proposed by Defense. [Brackets and footnote in the source text.]

[16] Not printed.

[b. Make clear to the Communist regimes that resumption of normal relations between them and the United States is dependent on concrete evidence that they have abandoned efforts to expand their control by military force or subdivision.] §§

. . . .

[Annex B]

STATEMENT BY THE DEPARTMENT OF COMMERCE

1. Two things appear clear from the discussion of the policy papers:

a. In the political, psychological and strategic fields the proposed policy would be substantially a maintenance of the status quo with emphasis on maximum pressure in all fields on the Chinese Communists. The pressure while avoiding actions provocative of war would go so far as to risk the possibility of war.

b. The policy appears to be based upon an appraisal of the serious threat to U.S. national security posed by the growth of Communist power in Asia, and on an estimate that the best prospect of disrupting the Sino-Soviet alliance is through maximizing the dependence of Communist China on the USSR.

2. Consistent with this approach the courses of action with respect to trade controls (par. 8–c of the foregoing statement of policy) would have to be along following lines:

a. Continuation of U.S. embargo to Communist China.

b. Use of total bargaining position of the U.S. to gain acceptance of embargo or near embargo by all other non-Communist countries.

c. Reimposition by the United States and other countries of more comprehensive and effective controls over Soviet bloc in Europe to prevent transshipments to China.

d. Imposition of additional controls or limitations on exports to non-Communist countries that do not go along with above to minimize leaks.

e. Retention of the total ban on imports from Communist China by the United States.

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§§State proposes deletion. [Brackets and footnote in the source text.]

f. Imposition of similar import controls by non-Communist countries.

g. Refusal by the United States to purchase Communist Chinese type goods from all non-conforming countries.

3. It would be manifestly difficult to bring our principal Allies along with such a program. The attitude of other governments, particularly the U.K., makes it doubtful that we can hold even the present international levels of trade controls short of exerting the most severe diplomatic and economic pressures on our Allies. The dismantlement of the trade control structure on the other hand might well lead to a backdoor breakdown of the entire policy of maximum pressure. Such a breakdown would cause seriously adverse public reactions concentrated on the trade area rather than on the total policy.

4. A sharply different approach to the Communist China problem should be given consideration by the NSC in the current review of Far East policy on the basis that:

a. It would be desirable to make capital of any major trade relaxation towards China both with our Allies and with Communist China.

b. Current intelligence indicates that in the economic field no significant conflicts have arisen between the USSR and Red China. Perhaps then it may be possible to *create* potential areas of conflict or divergence by a positive approach from the United States and the Free World to Communist China.

Such different approach is set forth in par. 7 of the above policy statement.

790.5/11-1954

Memorandum by the Deputy Assistant Secretary of State for Far Eastern Affairs (Sebald) to the Under Secretary of State (Hoover) [1]

SECRET [WASHINGTON,] November 19, 1954.

Subject: Preparation for Cooperative Action under Article II and Article IV, Paragraph 2, of the Manila Pact

1. In accordance with Mr. MacArthur's memorandum to you of October 25 (Tab A), [2] and your instructions of November 13, [3] a De-

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[1] This memorandum bears the following handwritten notation: "Approved in principle by Sec. in mtg. on Nov 23 as basis for proceeding with CIA and Def. C—W[illiam] J. G[alloway] 11/23/54." No memorandum of this meeting has been found in Department of State files.

[2] *Ante*, p. 951.

[3] No other record of these instructions has been found in Department of State files.

partmental working group has been meeting to prepare recommendations with regard to cooperation under the Manila Pact in combatting communist subversion. The working group has taken account of the fact that the Department has supported a Thai suggestion that a meeting be held in Bangkok, possibly in January, on a foreign ministers level (Tab B).[4]

2. The working group has agreed that it is of the utmost importance that the United States demonstrate, particularly to the Asian members of the Manila Pact, U.S. interest in the Pact and U.S. intention to participate in the Pact in such a way that benefit will flow to all the members. The working group believes that cooperation in a program to counter communist subversion in the Treaty area under Articles II and IV, 2 of the Treaty could contribute importantly to convincing the Asian members that the U.S. is deeply interested in their problems and in increasing the value of the Pact to them.

3. The working group has prepared recommendations regarding possible organization both within the U.S. Government and with the other members of the Pact for carrying out a program of countering communist subversion (Tab C). The working group has also prepared a tentative outline of the type of activities that might be undertaken in such a program (Tab D).

4. The working group recommends that an inter-Departmental working group chaired by State and with representatives from Defense and CIA be constituted as soon as possible to consider these recommendations.

[Tab C]

ORGANIZATION FOR COOPERATIVE ACTION UNDER ARTICLES II AND IV, 2 OF THE MANILA PACT[5]

1. Multilateral Organization

There should be set up in the territory of one of the Asian members of the Pact a Working Group consisting of a National Representative of each of the members assisted by such small international secretariat as may be required to prepare, circulate and file documents, and minutes of meetings. It would be contemplated that each National Representative on the Working Group would devote his full time to this matter. Such Representatives, with the exception of the Representative of the host country, could be attached to their respective diplomatic missions for administrative support.

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[4] At Tab B is telegram 1745 to Manila, Nov. 13, p. 964.

[5] Drafted by Stelle and Higgs on Nov. 18.

It would be envisaged that it would remain the primary responsibility of the national authorities of each member to take action within their respective countries against communist subversion and that the role of the other members would be to support and cooperate with the efforts of such national authority. When the National Representative of a country reports to the Working Group his country's need for assistance in a given field, as for instance information on training of police authorities, the other National Representatives might be asked to extend assistance in those fields in accordance with the capabilities of their respective authorities.

2. U.S. Government Machinery

As a means of back-stopping the U.S. Representatives on the Working Group mentioned above, it is recommended that a Committee consisting of a representative each of State, Defense, and CIA be set up in Washington. It would be the function of this Committee to furnish ideas and other support to the U.S. Representative on the Working Group, and to backstop his requests for U.S. assistance. This Committee should call upon other agencies of the Government for appropriate support and assistance where necessary. The Committee could request the designated representatives of their Departments on the OCB to seek OCB support, on an *ad hoc* basis, for a project approved by the Committee. The Committee should be chaired by the State representative, who in the light of the Secretary's request that the Deputy Assistant Secretary for Far Eastern Affairs be the point of responsibility in FE for work on the Manila Pact, would initially be that official.

3. State Department Organization for Back-Stopping the State Representative on the Washington Committee

The State Department Chairman of the Washington Committee should be back-stopped by a Group of representatives of the interested bureaus and offices of the Department. These would include C, NEA, EUR, FE, S/P, R, P, and U/OP and such other experts and officials as the Group might consider appropriate from time to time. It would be the function of this Group to supply from Departmental sources information and support to the State representative on the Washington Committee. The Chairman of this Group would initially be the State representative on the Washington Committee.

[Tab D]

POSSIBLE ELEMENTS OF A PROGRAM FOR COOPERATIVE ACTION UNDER ARTICLES II AND IV, 2, OF THE MANILA PACT [6]

1. Suggested Limitations upon a Program

a. *Economic Assistance.* Economic assistance and development is certainly one important means of countering communist subversion. From the U.S. point of view, however, it would not be useful to confine a U.S. economic program to the countries who are members of the Manila Pact. U.S. economic programs now under consideration tentatively envisage the possibility of some use of the "Colombo plan" organization. In any case, however, since Japan is not a member of the Manila Pact and since any U.S. economic program in the Far East would be devised with Japanese interests in mind we should avoid extensive discussions in the economic field within the framework of the Manila Pact.

b. *Military Assistance.* Our view of the Manila Pact has consistently been that it is different from NATO in that there is no expectation of building up important local military forces within the framework of the Manila Pact. We therefore should also discourage extensive discussion of levels of military forces within the framework of the Manila Pact.

. . . .

2. General Outline of a Possible Program

Because of the limitations which it seems useful for us to place upon the type of activities to combat communist subversion that could appropriately be discussed and undertaken within the framework of the Manila Pact, it seems clear that the primary fields of useful effort would be: the development of adequate standards of security for classified materials; exchange of information on communist subversion; cooperative training and assistance in the development of local security forces; and cooperation in information and political warfare activities. Elements of a program in these fields might be of the following nature:

a. Exchange of information on security practices with reference to classified materials, and establishment of satisfactory standards of security in dealing with such materials. (There are useful precedents for such a program in the development of NATO security practices.)

b. Exchange of information on communist personalities, and communist subversive activities and propaganda within the states of the Treaty area.

c. Exchange of information on measures against communist subversion taken or contemplated by the Treaty members.

d. Preparation of recommendations for cooperative efforts to strengthen local police and security forces through (1) exchange of views and experience as to how to use such forces in combatting communism; (2) arrangements for cooperation in training of local police and security forces; (3) cooperation in devising effective indoctrination of such forces.

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[6] Drafted by Stelle and Bell, Nov. 17–19.

e. Preparation of recommendations for cooperation in developing effective propaganda and information activities, and for developing ways in which the overt and covert information agencies of the member countries might help each other.

f. Exploration of methods of cooperating in the development of: non-communist labor organizations; useful civic organizations such as those in the Community Center Movement in the Philippines; and exchange of persons in the cultural and educational fields.

g. Exploration of such semi-covert political warfare activities as might usefully be undertaken within the Manila Pact framework. (An example might be cooperation in countering the Pan-Thai activities of the Chinese Communists.)

. . .

Conference files, lot 60 D 627, CF 432

Memorandum of Conversations, by William J. Galloway, Special Assistant to the Counselor of the Department of State

CONFIDENTIAL [WASHINGTON,] November 19, 1954.

Subject: Meetings with UK and French representatives on possible meeting of Manila Pact Foreign Ministers. [1]

Participants: M. Claude de Cheysson, French Foreign Office
M. Jacques Roux, French Foreign Office
M. Pierre Millet, Counselor, French Embassy
Mr. Harold Beeley, Counselor, British Embassy
Mr. Michael Joy, First Secretary, British Embassy
Mr. MacArthur, C
Mr. Sebald, FE
Mr. Hoey, PSA
Mr. Galloway, C

Mr. MacArthur and Mr. Sebald held two meetings today on the proposed meeting of Foreign Ministers of the Manila Pact signatories. The first meeting was held in the morning with the French officials listed above, and the second meeting, in the afternoon, included both the French officials and the British representatives. Between the two meetings, Mr. Joy brought to the Department for the Secretary a letter from Sir Roger Makins which set forth the views of Sir Anthony Eden concerning the proposed meeting of Manila Pact Foreign Ministers, and also proposals for US-UK-

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[1] Participants not previously identified are: Claude de Cheysson, *Chef de Cabinet* to Mendès-France; Jacques Roux, Director for Asia-Oceania; and Robert E. Hoey, Officer in Charge of Vietnam, Laos, and Cambodia Affairs.

French talks on Indochina prior to a Manila Pact meeting. A copy of Sir Roger's communication to the Secretary is attached.

Mr. MacArthur said he believed there was some misunderstanding in regard to the proposed meeting of Manila Pact Foreign Ministers, particularly as to the purpose of such a meeting. He then reviewed the developments which had led to the suggestion by some of the Manila Pact signatories, notably Australia and Thailand, for an early meeting of the Foreign Ministers. Following the Manila Conference, representatives of some of the signatory governments, particularly Australia and Thailand, had made inquiries as to US views on implementation of the Manila Pact. Both these Governments felt it important that early attention should be given to further steps in connection with the Pact so that there would be tangible evidence that interest was being maintained in making the Pact a reality and the psychological effect in the area would not be lost due to flagging momentum on the part of the member nations. It had been pointed out to us that the various ratification processes might consume several months' time and that it might well be April or May of 1955 before the Treaty actually entered into force. In these circumstances, several of the signatory governments believed it important that there be an early manifestation of activity on the part of the member nations. Specifically, it was suggested that it would be desirable for the Foreign Ministers of the signatory governments to hold a meeting at an early date and before ratification was completed and the Treaty entered into force, to discuss and agree on how the Treaty would be implemented. December had been suggested, but this obviously was inconvenient because of NATO meetings, New Zealand elections, the Holiday seasons, etc. It was then thought that perhaps early January might be the first convenient time for the Ministers to meet together, and a date of around January 10 had been suggested.

Prince Wan had, at Manila, invited the Ministers to hold the next meeting in Bangkok. The Thai Government again put forward this proposal just a few weeks ago. Of all the treaty signatories, Thailand is the most directly threatened, and Prince Wan believed a meeting in Bangkok could have a very beneficial effect throughout the area, and particularly on the Thai people themselves, who would feel, as a result of the presence of the Foreign Ministers in Bangkok, that Thailand had strong and dependable partners. This feeling would strengthen their efforts and will to resist Communist infiltration and subversion.

It was believed that the meeting should be at Foreign Minister level. A meeting at lower level would give the impression that lesser importance was attached to the Southeast Asia area and would invite invidious comparisons between support for Asia and support for Europe where very frequent meetings of Foreign Ministers are taking place.

It should be made clear that the meeting would not be a meeting of the Council established by the Manila Pact, since the Council could only begin operation when the Treaty entered into force; rather, it would be a meeting of the Ministers for the purpose of discussing and agreeing on arrangements to be put into effect when the Treaty did come into force. Such arrangements would include organization of the Council itself and determination of necessary rules of procedure and provisions for implementing the Council's responsibility in regard to military planning. The meeting also would afford the Ministers an opportunity for a general exchange of views on developments affecting the security of the area. Presumably, there would also be discussion of measures, in implementation of Article II, for cooperation to counter and resist Communist subversion in the area. There might be some general discussion of the economic problem in Asia.

It had been suggested by the New Zealand representative that, assuming there would be a meeting of Foreign Ministers, a working group should be established to begin preparation of the subjects for ministerial discussion. New Zealand had suggested Washington as the location for this working group since the Washington missions of the Manila Pact nations all have had considerable experience on Manila Pact matters.

Mr. MacArthur said the US favored the suggestions which had been put forward for a meeting of the Foreign Ministers. We agreed it was important to give evidence of continuing interest in the Pact and to maintain the psychological momentum initiated with the signing of the Treaty. We also agreed with Prince Wan's views concerning the important effect which could be expected from a meeting in Bangkok. January 10 would be an acceptable date, and the Secretary, feeling it important that Foreign Ministers should attend, planned to attend the meeting himself. We envisaged the meeting lasting for two or three days. We agreed with the importance of advance preparatory work and would be happy to have a working group convened in Washington for this purpose.

Mr. MacArthur then referred to Sir Anthony Eden's communication which suggested meetings among the three powers on Indochina problems, and which apparently envisaged that questions relating to internal political action in Indochina would be discussed at a Manila Pact Foreign Ministers' meeting. Mr. MacArthur thought there were two separate questions involved. He believed the US would not envisage such a discussion of Indochina questions at the Manila Pact meeting. It would not be appropriate for the Manila Pact countries to discuss taking action in internal affairs of any of the three Associated States when they were not even at the meeting. Mr. MacArthur recognized, however, that the Ministers, during a general exchange of views, might well wish to discuss in general terms the serious problem posed by the situation in Indochina. As for Mr. Eden's suggestion that the three powers discuss these Indochina problems, Mr. MacArthur was sure the Secretary would have an open mind on this.

The French representatives seemed to agree with the views expressed by Mr. MacArthur with respect to discussion of Indochina questions, although they offered no specific views themselves. The UK representatives summed up Mr. Eden's view to the effect that if there was to be a meeting of Manila Pact Foreign Ministers, the Indochina problem would certainly need to be discussed since it was the most important problem in the area; otherwise, the impression would be created that the Manila Pact was not living up to its responsibilities. Mr. Eden was mainly concerned that whatever was to be said about Indochina in such a meeting, there must be agreement among the three powers on a common line. (It was inferred that the British representatives felt that Mr. Eden probably would not press for a discussion in the Manila Pact forum of all the questions relating to Indochina listed in his communication.)

The UK representatives stated that they could not give assurance that Sir Anthony Eden would be able to attend a meeting of the Manila Pact Foreign Ministers. Also, Sir Anthony believed a meeting of the Ministers should only be held after the Treaty had been ratified. They raised the question as to whether the Treaty wouldn't actually come into force by some time in March of 1955. If the Treaty might come into force by this time, would it not be better to have the Ministers' meeting later, since this would mean waiting only another two months or so. Mr. MacArthur said this was a point which would need to be considered by the other signatory governments.

After further discussion, it was agreed that an attempt should be made to determine what ratification schedules were contemplated by the various member nations. Mr. MacArthur estimated that US ratification might be completed by late January or early February. The French representatives said that French ratification could be completed very quickly if the Treaty were not submitted to Parliament (the French constitution does not require that the Treaty be submitted to Parliament), but if the Treaty were to be put before the Parliament (this has been the practice of the French Government on past security treaties), French ratification should be completed probably in February or March. The French representatives expected a Cabinet decision on this question in the next week or so.

The UK representatives said their Government was in a position to ratify very swiftly.

It was then agreed that, in any event, a working group should be established in the near future in Washington to proceed with preparation for an eventual ministerial meeting of the Manila Pact signatories. The question was left open as to whether the Foreign Ministers would meet before or after ratification and entry into force of the Treaty, and it was agreed with the French representatives that this point should be discussed informally Monday [2] in a meeting of the representatives of the Manila Pact powers which Mr. MacArthur would call.

[Attachment]

The British Ambassador (Makins) to the Secretary of State

CONFIDENTIAL WASHINGTON, November 19, 1954.

MY DEAR SECRETARY OF STATE: We spoke on November 16 about the preparations for a meeting of the Manila Treaty Council. [5] I have now heard from Sir Anthony Eden that he has no objection whatever to the convening of a Working Party at an early date, to deal with procedural questions relating to the organisation to be set up under the Manila Treaty, its methods of work and so on. He would indeed welcome it if an early start could be made by a Working Party with these limited terms of reference.

At the same time, he considers that Indochina is still the central problem in Southeast Asia. A meeting of the Manila Powers on policy questions would have little value if this was not discussed; but discussion would be more effective if there was prior agreement on policy between the powers immediately capable of influencing the situation in Indochina. Sir Anthony Eden accordingly regards an early review of this situation, in whatever form it can most conveniently take place, as having great importance and urgency, and as being in any case a necessary part of the preparations for a meeting of the Manila Treaty Council.

I enclose a list of the subjects which Sir Anthony Eden considers might be discussed. [6]

Yours sincerely,

ROGER MAKINS

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[2] Nov. 22. Minutes by William H. Gleysteen, Jr., of the Reports and Operations Staff, are not printed. (790.5/11-2254) For another reference to the meeting, see MacArthur's memorandum of Nov. 30 to the Secretary, p. 999.

[5] No other record of this conversation has been found in Department of State files but see footnote 2, p. 964.

[6] Not printed.

Editorial Note

Part of NIE 10-7-54, "Communist Courses of Action in Asia Through 1957", dated November 23, 1954, is printed in volume XIV. (Files of the Bureau of Intelligence and Research)

890.00/11-2354

Memorandum by Selma G. Freedman of the Bureau of Economic Affairs to the Deputy Assistant Secretary of State for Economic Affairs (Kalijarvi)

OFFICIAL USE ONLY [WASHINGTON,] November 23, 1954.

Subject: Statement by Mr. Stassen November 22

Attached is a statement sent out by the United States Information Agency[1] with respect to Mr. Stassen's press conference, at which time he suggested the possibility of a "Marshall Plan for Asia" with participation of European governments.

It might be useful at the Secretary's staff meeting to make the following points:

1. You discussed this matter with Mr. Waugh over the telephone with respect to the problem which it creates at the Rio conference.

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[1] FEF 9, "Stassen Says Asian Economic Need Increases", dated Nov. 22. It reads in part:

"Stassen also predicted that in the future Europe will be in a position to join with the United States in helping to bolster the economies of Asian countries.

"Stassen said Europe's ability to help in the months and years ahead stems from the fine economic recovery Europe has made in recent years, particularly in the last two years.

"Stassen said he favors a 'coordinated approach' to this problem of aid to Asia—with United States and the western nations of Europe cooperating in the problem.

"The Organization for European Economic Cooperation (OEEC) is beginning to discuss the problem of economic aid to Asia, Stassen said.

"Stassen said informal suggestions have been made to the OEEC, by the United States, as to how economic aid could be extended to Asia.

"Stassen expressed the view that coordinated aid to Asia—United States and Europe participating—may well take the form of 'long-term development credit' for capital goods expansion. He said that Asia 'can absorb a lot more capital than it is absorbing now, but there is a definite limit as to the capital that could be fruitfully used in that area.' Stassen said the limitations are due to lack of personnel and technical skill."

A complete text of Stassen's statement, together with the questions and answers at the press conference pertaining to Asia and Latin America, was sent to Rio de Janeiro in FOA telegram Usfoto 246, Nov. 23, also attached.

2. What possible answer can we give to European countries when they ask the State Department what this is all about, since Mr. Stassen indicated that they had been informally consulted by the United States.

3. The necessity of prior notification, if not clearance, with the Department whenever Mr. Stassen makes a statement of this importance.

According to Mr. Stassen's information man, Mr. Stassen used his press conference to obtain the reaction of foreign countries, both European and Far Eastern, to such a program, and also to condition the US electorate to the problems of Asia.[2]

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[2] A handwritten note at the bottom of this memorandum reads: "Kalijarvi did *not* raise at Secy's staff mtg on Nov 24 W[alter?] T[rulock?]".

790.5/11–2454: Telegram

The Ambassador in Cambodia (McClintock) to the Department of State[1]

CONFIDENTIAL PHNOM PENH, November 24, 1954—6 p. m.

296. Yesterday during Vorys-Richards[2] audience with King, latter, in response to question of his estimate of situation, said, "Cambodia is covered by Manila pact and within that framework of protection seeks to preserve its neutrality". This statement contrasts with King's previous reference to Manila pact when he addressed Nehru with remark that Cambodia had remained strictly neutral so far as SEATO was concerned.

McCLINTOCK

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[1] Repeated for information to Saigon; repeated by pouch to Bangkok, Karachi, Manila, Canberra, Wellington, London, and Paris.

[2] Representative James P. Richards of South Carolina, ranking minority member of the House Committee on Foreign Affairs, was accompanying Representative Vorys on a tour of several Asian countries.

S/S–NSC files, lot 63 D 351, NSC 5429 Series

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson)[1]

TOP SECRET WASHINGTON, 26 November 1954.

Subject: Current U.S. Policy Toward the Far East (NSC 5429/3)[2]

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[1] Attached to a covering note dated Nov. 29 from Lay to the NSC, not printed.

[2] Dated Nov. 19, p. 972.

1. The Joint Chiefs of Staff submit herewith their comments regarding a draft statement of policy titled "Current U.S. Policy Toward the Far East" (NSC 5429/3), prepared by the National Security Council Planning Board for consideration by the National Security Council at their meeting on 1 December 1954. The proposed policy, if adopted, is intended to supersede NSC 5429/2 and to guide the implementation of all other existing Far East policies, pending Planning Board and Council review and revision of these more particular policies.

2. The Joint Chiefs of Staff are of the opinion that the draft statement of policy, if adopted, would constitute a comprehensive policy for the Far East as a whole and would provide adequate guidance for the formulation of subsidiary policies relating to specific countries or areas of the Far East. The following comments are addressed to those bracketed portions of the paper having military implications:

a. Paragraph 2. Recommend retention of the bracketed sentence as a fair appraisal of the instability inherent in any police state which must depend upon force for the continued existence of the regime.

b. Subparagraph 4 c. The Joint Chiefs of Staff consider that while subparagraph 4 c is acceptable as written, this subparagraph is not a clear statement of an objective toward Communist China. The Joint Chiefs of Staff consider that the policy paper should include an objective toward Communist China and propose that subparagraph 4 c be modified to read as follows:

> The reduction of Chinese Communist power and prestige *with the objective of securing by reorientation a government on the mainland of China whose objectives do not conflict with the vital interests of the United States.*

c. Subparagraph 4 e. It is considered that the objective expressed in this subparagraph is wholly consistent with United States basic objectives and should be retained.

d. Paragraph 7. Recommend deletion. The measures proposed in this paragraph would grant the Chinese Communists far-reaching concessions, while relying upon the as yet undemonstrated good faith of that regime for the fulfillment of agreements reached in the negotiations. Experience in Korea and currently in Indochina with respect to the armistice terms provides ample evidence that the Communists will distort, evade, or violate any agreements when it suits their purposes to do so. Specifically, it would be highly unrealistic to expect that the Chinese Communists, with their present orientation, would abandon their subversive efforts in South Vietnam or elsewhere in Asia, regardless of any commitments assumed by them.

e. (1) Paragraph 8. The bracketed phrase should be deleted if the proposed paragraph 7 is not adopted.

(2) Subparagraph 8c. From a strictly military point of view, a trade control program such as that outlined in the right column, which would impose maximum restrictions on trade with the Soviet Bloc and particularly with Communist China, would be most desirable. The Joint Chiefs of Staff recognize that the feasibility of certain of the courses of action outlined in the right column is uncertain in view of existing free world trade agreements and other economic and political considerations. By separate memorandum dated 12 November 1954, subject: "Review of Basic National Security Policy", [3] the Joint Chiefs of Staff advised you that more positive measures are necessary in the implementation of NSC 162/2. Additionally, they stated, "It is considered that the timely achievement of the broad objective of U.S. security policy cannot be brought about if the United States is required to defer to the counsel of the most cautious among our Allies or if it is unwilling to undertake certain risks inherent in the adoption of dynamic and positive security measures." Accordingly, the Joint Chiefs of Staff favor the adoption of the proposal in the right column.

(3) Subparagraph 8d. While there are certain risks inherent in the actions proposed in this subparagraph, the Joint Chiefs of Staff feel that, in the execution of these actions, it should be feasible to keep such risks within manageable proportions. For this reason they recommend that the bracketed phrase not be adopted.

f. Subparagraph 10b. The Joint Chiefs of Staff perceive no objection to the retention of this subparagraph in the proposed statement of policy.

3. The Joint Chiefs of Staff consider that, subject to the foregoing comments, the provisions of the draft policy statement and of Annex "A" thereto are acceptable from the military point of view.

4. The Joint Chiefs of Staff desire to point out that they have had less than three days to formulate their views on this draft statement of a most important national policy. They consider that this national policy is dependent, in large degree, on the Basic National Security Policy of the United States, now being reviewed by the National Security Council. Until a final decision is reached on the Basic National Security Policy, the views contained herein should be considered as tentative only.

For the Joint Chiefs of Staff:
ARTHUR RADFORD
Chairman
Joint Chiefs of Staff

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[3] Regarding this subject, see volume II.

790.5/11-2654

Memorandum by the Counselor of the Department of State (MacArthur) to the Deputy Under Secretary of State (Murphy)

SECRET [WASHINGTON,] November 26, 1954.

Subject: Discussion with CIA and Defense representatives regarding cooperation under Article II of the Manila Pact.

Following our meeting with the Secretary on November 23, [1] on the Manila Pact and his approval of the general line recommended on cooperation in the counter subversive field under Article II of the Pact, Mr. Sebald and I met with Mr. Bissell of CIA [2] and Mr. Godel [3] of Defense on Wednesday, November 24.

We reported to them briefly the developments on a possible meeting of the Manila Pact Foreign Ministers in January and the steps which we contemplated both within the Government and internationally in preparation for such a meeting.

We then tabled the attached paper [4] (this is the principal one discussed with the Secretary), and emphasized that it was a first effort and represented no formal position, but was rather to serve as a basis of discussion. In the very general discussion which followed, both Mr. Bissell and Mr. Godel said that our paper seemed a good start. The upshot of the discussion was that they agreed to take the paper back and consider it with a view to bringing further comments or suggestions to a meeting on Tuesday, November 30. [5]

I also informed them of Sir Roger Makins' approach to the Secretary requesting advance consultation between the U.S. and the U.K. on matters which would be dealt with in the Manila Pact meeting. [6] Mr. Bissell undertook to obtain CIA views regarding

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[1] See footnote 1, p. 982.

[2] Richard Bissell, Special Assistant to the Director of the CIA.

[3] William H. Godel, Deputy Director, Office of Special Operations.

[4] Except for two changes, this paper is identical to the one at Tab D to Sebald's memorandum of Nov. 19, p. 985. The changes are as follows: the word "appropriate" is inserted before the word "information" in paragraph 2c; there is a new clause at the end of paragraph 2d which reads "(4) where possible, supplying equipment for strengthening local security forces."

[5] No record of this meeting has been found in Department of State files.

[6] Sir Roger had made this request during a conversation held with the Secretary on Nov. 23.

"The Secretary said he felt that if there were going to be any exchange of views between the U.S. and the U.K., it would also be useful to bring in the Australians and New Zealanders. Sir Roger expressed full concurrence. With respect to exchanges on military planning, the Secretary said he perceived no objection to informal exchanges in military planning but that this was primarily a matter for the military, and directed Mr. MacArthur to get in touch with the Department of Defense to put Sir Roger's proposal to them. The Secretary said that any such private exchanges should be kept most confidential since it would create real problems with

Continued

such advance consultation with the British on the question of counter subversive activities for our next meeting on Tuesday.

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our other Manila Pact partners—particularly the Asians—if the impression got around that we were in fact forming some kind of a four-power white Standing Group. The Secretary also said he felt that exchanges between the U.S., U.K., Australian, and New Zealand military could be carried on confidentially." (Memorandum of conversation, by MacArthur; 790.5/11-2354)

S/S-NSC files, lot 63 D 351, NSC 5429 Series

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State [1]

TOP SECRET [WASHINGTON,] November 30, 1954.

Subject: NSC 5429/3 [2]

In connection with NSC 5429/3, I submit the following recommendations for your guidance in meeting with the Council on this subject.

Page 3, section 4 d: FE has no evidence of "existing" areas of conflict or divergence of interest between USSR and Communist China and therefore suggests that the word "existing" be omitted.

Page 3, section 4 e: How does the US create "political and social forces" as this section recommends? FE thinks this paragraph is so vague and possibly misleading that it should be left out. Should the decision be made to leave it in however, the phrase "and of economic conditions contributing to creation of such forces" should be inserted after the phrase "political and social forces".

Page 4, section 5 a: FE feels that the importance to the security of the area of keeping Indonesia out of Communist control justifies adding the following sentence to this paragraph:

> "And recognizing the importance to the security of the off-shore island chain of keeping Indonesia out of Communist control".

Page 4, section 5 c: FE recommends that the phrase "and restrain the Chinese Nationalists from such actions" be omitted from the last sentence of this section. I recall that when I went over the preliminary draft of this paper with you, you agreed that this phrase should be omitted. [3]

Page 6, section 5 f: FE feels that this NSC recommendation might be construed as cutting across the power of the Chief Executive.

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[1] Drafted by Robertson, Martin, Young, and Robert J. G. McClurkin, Deputy Director of the Office of Northeast Asian Affairs.

[2] Dated Nov. 19, p. 972.

[3] In the margin next to this paragraph is the following handwritten notation: "I do *not* object to this paragraph as written W[alter] S. R[obertson] ".

Consideration might be given to rephrasing it along the following lines:

> "The NSC recommends that in the event of unprovoked Communist armed attack on the personnel, aircraft or vessels of the US, that the President should, as circumstances warrant, promptly take . . ." [4]

Page 6, section 5 h: FE recommends that the words "in consonance with U.S. treaty obligation" be inserted after the words "appropriate action" in the middle of this paragraph. FE feels that to omit this language would appear to ignore commitments already made under the ANZUS and Manila Pacts.

Page 7, section 5 i: FE recommends that the phrase "and other elements" be omitted or, failing this, the following sentence be added:

> "It is recognized that the support of the 'other elements' referred to requires a close and strict coordination between U.S. departments concerned and that the primary responsibility of the Department of State is emphasized".

Page 8, section 6 e: FE favors retaining the bracketed sentence in this paragraph.

Page 9, section 6 f: FE favors retaining the bracketed phrase in this paragraph.

Page 10, section 7: FE does not concur with the philosophy implicit in this section. Although the proposal is merely to study the terms of a settlement with Communist China, its inclusion in the NSC paper would give the scheme sufficient blessing to create the impression that the US was actively considering a negotiated settlement with Communist China at this time. FE does not believe that it is possible to negotiate at this time a general settlement with Communist China satisfactory to the US. The specific suggestions contained in the subparagraphs of this section would not be agreed to by the Peiping regime under present circumstances regardless of what pressures were brought, short of force. Moreover, our allies would probably not agree even to those increased pressures we propose.

Page 12, section 8 a: FE recommends that the word "only" be inserted after the phrase "but deal with each" and that the word "necessary" be inserted after the phrase "where the regime is a".

Page 12, section 8 c: (first alternative). FE recommends that the phrase "provided that the level of controls applicable to the USSR is maintained" be omitted. This phrase was not included in the draft paper which I discussed with you. Presumably, it was intended to put a floor under the level of controls to which other free world countries might descend but its inclusion in this paper could also connote acceptance of the fact that controls might be allowed to go to this level if divisive influences are to be averted. Thus, the COCOM level would represent a ceiling instead of a floor. FE also recommends that the additional sentence proposed by FOA be omitted.

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[4] Ellipsis in the source text.

Page 12, section 8 c: (second alternative). FE feels that while there is much in this alternative proposal which is desirable, it is doubtful that in the absence of further aggressive moves by Communist China or the Soviet Union, that we could get our allies to *increase substantially* the level of their existing controls. A serious attempt in this direction, FE feels, might well spell an end to their cooperation with us on multilateral controls. Therefore, we favor retention of the first alternative with the indicated revisions.

Page 14, section 8 d: FE recommends that the phrase "and restrain the Chinese Nationalists from such actions" be deleted from this section. I recall that you did not approve this language when it appeared in the draft which I discussed with you. FE also suggests that the phrase "or in his absence the Secretary of State and the Secretary of Defense" be added at the end of this section.

Page 14, section 8 e: FE recommends that the following be added to this section.

> "Taking into account the rapidly developing situation in the area and recognizing that much of the policy outlined under Annex A is now being undertaken".

Page 14, section 10 a: FE objects to this paragraph insofar as it applies to negotiation of a general settlement with Communist China. As indicated above, FE does not believe that the possibility now exists for negotiation of a satisfactory general settlement of major issues with Communist China. We feel, therefore, that it is misleading to state that we must "keep open" such a possibility. FE recommends as a minimum that the words "Communist China" be deleted from this paragraph, and feels it would be preferable to eliminate the whole paragraph.

Page 15, section 10 b: FE supports the proposal that this section be deleted.

Page 15, section 10 i, Annex A: FE believes that this paragraph must be considered in the light of your statement at your press conference on November 16th when you pointed out that the US is not a party to the Geneva agreements and is therefore not legally in a position to object or protest violations.

Page 18, Annex B: The Department of Commerce appears to be arguing that the US and its allies should either greatly increase economic pressures against Communist China or relax them. Since it is probably impossible to get our allies to increase them, it is argued that we should "capitalize" on relaxation through a different application as suggested in section 7, page 10. FE does not concur in these views.

790.5/11-3054

Memorandum by the Counselor of the Department of State (MacArthur) to the Secretary of State [1]

CONFIDENTIAL [WASHINGTON,] November 30, 1954.

Subject: Possible Meeting of the Manila Pact Foreign Ministers

We met last week and again Monday, November 29, [2] with representatives of the Manila Pact Governments concerning the possibility of a meeting of Foreign Ministers in Bangkok in January. The Pakistani, French, and UK representatives are still without definite views of their Governments on the date for such meeting. (The UK, while still preferring Singapore as the site, intimated they would go along with Bangkok if this was the desire of the others.)

In yesterday's meeting, the representatives, without committing their Governments, agreed to recommend that Foreign Ministers meet in Bangkok on January 19, with the proviso that final decision by the governments on whether to hold the meeting then or later should be made by December 13. The reason for postponing a decision on when the meeting should take place is that the French Government believes that if all ratifications can take place by mid-February it would be preferable to hold the meeting then, since this would mean that the meeting would be of the Manila Council rather than a meeting of Foreign Ministers. If indeed we could be certain that all ratifications would be completed by mid-February, there would be some merit in a meeting then. However, this seems doubtful, particularly if the French Government decides that the treaty must be submitted to its Parliament, in which case French ratification would not come until March or possibly later depending on the vagaries of French internal politics. (Although it is not likely, if it were virtually certain that all ratifications would be in by mid-February, would you be willing to attend a meeting in Bangkok at that time?)

It was agreed that there should be thorough preparation for the meeting of the Ministers, whenever it occurs, and a working group of representatives of the governments will begin preparation here on Monday, December 6. I have undertaken to circulate to the other representatives by December 1 an informal working paper containing suggestions on establishment of the Council and organizational arrangements. I have also undertaken to attempt to have ready by December 6 an informal working paper concerning military activities. [3] (This paper will be produced by the Department of Defense whose representatives will this week discuss this matter on an informal and individual basis with military representatives of New Zealand, the UK, and the other Manila Pact Governments.)

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[1] Drafted by Galloway.

[2] Gleysteen's minutes of this meeting, misdated Nov. 30, are in Conference files, lot 60 D 627, CF 432.

I attach for your approval a draft of the paper which I propose to circulate to the other representatives tomorrow. This paper combines the two papers you approved in our meeting on Nov. 23.

D[OUGLAS] MACA[RTHUR]

[Attachment]

Draft United States Informal Working Paper [4]

CONFIDENTIAL [WASHINGTON,] November 23, 1954.

MANILA PACT

ESTABLISHMENT OF THE COUNCIL AND RULES OF PROCEDURE

1. The Governments normally will be represented by Foreign Ministers (or their designated representatives).

2. The Council should meet when deemed necessary by the members, and in any event, at least once each year.

3. The Council should have no fixed site for meeting but should hold its meetings in the various capitals or other places agreed by the members.

4. The Council should elect a Chairman to preside at each meeting (normally the Foreign Minister of the host Government).

5. Substantive decisions should be taken by unanimous agreement of the members of the Council.

6. Meetings of the Council would normally be closed except for such public and ceremonial sessions as the Council might decide appropriate.

ORGANIZATIONAL ARRANGEMENTS

1. In order to assure close and continuing cooperation when the Council is not in session, the members of the Council agree to des-

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[3] See circular telegram 288, Dec. 6, p. 1031.

[4] Drafted by Galloway.

ignate individuals in their diplomatic missions in ——— to maintain liaison on matters relating to the Treaty.

2. These representatives shall constitute the principal channel for exchanging information among the member governments and, from time to time, may be directed by the Council to perform specific tasks.

3. These representatives shall be assisted by a small secretariat whose personnel shall be made available on a contributed basis by the member governments.[5]

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[5] On the source text next to this paragraph is a marginal notation (in MacArthur's handwriting) which reads: "Mr. Secretary—For tactical reasons we will not include this paragraph in the paper we give the other Manila Powers but will use this in the working group as a U.S. 'concession'. D".

790.5/12-354

Draft Telegram From the Secretary of State to Certain Diplomatic Offices[1]

SECRET WASHINGTON, November 30, 1954.

Department telegrams 2070 to Saigon repeated 161 to Phnom Penh 108 to Vientiane and 2155 to Saigon 170 to Phnom Penh 118 to Vientiane.[2]

With regard to Manila Pact meeting Associated States described reference telegrams or council meeting after treaty in effect, Department searching practical means for participation either on informal basis or as official observers. Request your views following very tentative ideas FYI:

1. Situation in Indochina due external and internal Communist threat to three States is appropriate and urgent subject for consideration. Their presence in observer capacity would be desirable, as difficult discuss these matters without them.

2. Participation three States in any form would require unanimous consent signatories. Basis for inclusion would be immediate importance exchanging views and preliminary ideas on means for effectively implementing Treaty Protocol.

3. Aside from observer status, active Associated States participation might be arranged through sponsorship by Thailand or Philippines of an Asian study group or *ad hoc* committee informally connected with Manila Pact and composed of Thai, Philippines and Associated States. This would emphasize Asian responsibility and initiative. It would not involve three States directly in discussions in

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[1] Attached to telegram 2253 to Saigon, Dec. 3 (p. 1025), which was sent in its place. The draft is marked for transmission to Bangkok, Manila, Phnom Penh, Saigon, and Vientiane. Drafted by Hoey and Young and cleared in PSA, FE, WE, and L, it is marked for, but does not bear, MacArthur's clearance.

[2] None printed.

view restraints Geneva Accords. Such group could study such problems as: training of Associated States officers; Thai-Associated States conversations regarding control, development and security of Mekong traffic and other trade and economic matters; exchange of intelligence between Thailand and Associated States and improvement communications.

4. Such study group might be asked by convening powers examine such items as those listed above and prepare recommendations or suggestions for future reference council meeting. Such *ad hoc* group might later lead to consultative commission or more formal organization these five states to knit SEA contiguous states more closely together.

FYI: UK has several times raised with us and French problem of discussing Indochina at any Bangkok meeting. UK feels situation becoming so dangerous some consideration will be unavoidable yet delicate. UK and French governments also desire tripartite talks with U.S. on Indochina right away.

DULLES

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 226th Meeting of the National Security Council Held on Wednesday, December 1, 1954 [1]

[Extracts]

TOP SECRET EYES ONLY

Present at this Council meeting were the President of the United States, presiding; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were Assistant Secretary Rose for the Secretary of the Treasury; the Secretary of Commerce (for Items 1 and 2); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 5). The following were present for Item 4 only: Assistant Secretary of Defense Lanphier; Assistant Secretary of Defense Pike; Gen. Lodoen, Department of Defense; Col. Parsons, Department of Defense; Mr. Goodin, Department of the Army; Mr. Thomsen, Department of the Navy; Gen. Garrity, Department of the Air Force. Also present were the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Special Assistant to the President; Mr. Bowie, Department of State; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

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[1] Drafted by Gleason on Dec. 2.

There follows a summary of the discussion at the meeting and the main points taken.

. . . .

2. *U.S. Policy Toward the Far East* (NSC 5429/3; NSC 5429/2; Memo for NSC from Executive Secretary, same subject, dated November 29, 1954; [2] NSC Action No. 1259 [3])

Mr. Cutler briefed the Council on the background of the reference report (NSC 5429/3), and said that the principal issue remaining to be decided was how the United States should use trade as a weapon to divide China from the Soviet Union. He noted that the Secretary of Commerce had been invited to participate in the Council discussion.

The President inquired about the bracketed sentence in paragraph 2, which read as follows: "While there is now no reason to anticipate an early collapse of the regime nor any means of seeing when one might occur, inherently such regimes have elements of rigidity and instability which might produce crises or break down unexpectedly." With what thought in this sentence, asked the President, did CIA not concur? Mr. Allen Dulles replied that CIA took exception to the last phrase, because it seemed to them inconsistent with the rest of the sentence.

The President inquired of Mr. Dulles whether anyone in the intelligence business had foreseen Tito's break with the USSR. These favorable developments, from our point of view, in the Soviet bloc sometimes developed very unexpectedly out of thin air.

Secretary Dulles asked Mr. Allen Dulles whether he had anticipated the Beria [4] affair. Pointing to the sudden accord in 1939 between Stalin and Hitler, he agreed with the President's judgment as to the unexpected quality of such developments in the Soviet Union. Mr. Allen Dulles said that he was quite prepared to admit that there was a chance of disassociating Communist China from the Soviet Union, but that there was no reason to expect any sudden collapse of the Communist regime in China.

The President said that while he was willing to revise the disputed sentence, he was unwilling to agree with CIA that it should be deleted, since he really believed that these totalitarian regimes were excessively rigid and have inherent weaknesses on which we should attempt to capitalize.

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[2] Reference is to the covering note to the memorandum from the Joint Chiefs of Staff to the Secretary of Defense, Nov. 26, p. 992.

[3] See the editorial note, p. 958.

[4] Lavrentiy Ivanovitch Beria was dismissed from his various offices in the U.S.S.R. and executed in June 1953. For documentation on the reaction of the United States to these events, see volume VIII.

After suggesting language to revise the sentence in question, Mr. Cutler went on, and pointed out the next split view in the paper, which occurred in paragraph 4–c, reading: "reduction of [relative] Chinese Communist power and prestige". Mr. Cutler explained that Defense, the JCS, and ODM proposed deletion of the word "relative", since they desired courses of action which would reduce Chinese power absolutely and not merely relatively. State and the other agencies opposed this view, and desired to reduce Chinese power relatively, particularly by building up the strength of India and the other free Asian states. The representatives of these agencies on the Planning Board could see no present prospect of any absolute reduction of Chinese Communist power, short of war, and therefore were inclined to regard anything more than a relative reduction as "pie in the sky".

Proponents of this paragraph in Defense did not contemplate anything like the complete destruction of Chinese power and prestige, observed Secretary Wilson, and the President added that even a change by the Chinese Communists to an attitude less violently antagonistic to the United States would help a lot.

Secretary Dulles believed that there were two thoughts hooked up together in paragraph 4–c which were not necessarily related to one another. You might possibly secure the reorientation of Communist China without securing at the same time a reduction of its power and prestige.

The Council agreed with Secretary Dulles' analysis, and turned its attention to paragraph 4–e, where the views of the Planning Board were again split. Paragraph 4–e read as follows: "Creation in non-Communist Asia, and ultimately within Communist China, of political and social forces which will zealously spread the greater values of the free world and simultaneously expose the falsity of the Communist ideological offensive." The President said he could not understand why anybody objected to this paragraph. Was it not one of the fundamental objectives of Mr. Streibert's [5] organization (the USIA)? Of course, it didn't mean that we would resort to every possible means, such as war, to accomplish the objective.

Secretary Dulles commented that while this was a wonderful idea and he had no particular objection to it as such, it was certainly a very unrealistic objective, far removed from any degree of practicality. The President replied that he was obliged to disagree with Secretary Dulles. Zealots, in this paragraph, did not necessarily mean evangelists of the Billy Sunday type, who would be running up and down the countryside in Communist China publicly proclaiming democratic ideals. The actual task could be done quite differently and perhaps with some effect. Secretary Dulles countered that he remained unconvinced, and the President said in that case why do we spend so much money to enable the Voice of America to beam messages to the captive Communist states?

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[5] Theodore C. Streibert, Director of the U.S. Information Agency.

Mr. Cutler met Secretary Dulles' objections to the paragraph by suggesting the deletion of the term "non-Communist" before Asia, and the phrase ", and ultimately within Communist China,".

With respect to paragraph 5–c, the President suggested deletion, in view of Secretary Dulles' statement a moment ago that we were about to sign a mutual security treaty with the Chinese Nationalists. The President agreed to the inclusion of the paragraph when it was pointed out to him that signature of the treaty did not necessarily mean its ratification.

Secretary Dulles then referred to paragraph 5–a, which called for maintaining the security of the Pacific offshore island chain and which defined the island chain. He expressed concern over the omission of Indonesia, which he described as an essential element in the offshore island chain. Mr. Cutler replied that Indonesia had never been considered to be a link in the so-called offshore island chain, and that in any case the defense of Indonesia was covered by other subparagraphs in paragraph 5. Secretary Dulles argued that these other subparagraphs did not cover Indonesia because the Government of Indonesia might well become Communist-dominated and therefore not request U.S. assistance in the event that the Communists were about to take over control. . . .

. . . .

Secretary Wilson said that as far as he was concerned, Indonesia was certainly a part of the Pacific offshore island chain, and actually ranked in importance with Japan in that chain. Everything therefore must be done to hold Indonesia if we are to "do our job out there in the Far East."

The President interrupted to exclaim, why the hell did we ever urge the Dutch to get out of Indonesia? Secretary Dulles agreed that essentially Indonesia was part of the Pacific island chain and in any case should have special treatment in the present paper.

Mr. Cutler then appealed to Admiral Radford to give his views on Indonesia's place in the offshore island chain. Admiral Radford said that at any rate he was perfectly willing to include Indonesia in the island chain because it was obviously essential for us to hold it. In fact, when he had been CINCPAC he had been instructed to make plans to use force to hold Indonesia if it proved necessary. He still presumed this to be United States policy with respect to the Indonesian Archipelago.

The President said that Indonesia was one country with which the United States was not bound by any treaty, and that we would therefore have to deal with it differently than with the other countries of the island chain with which we did have treaties. . . .

. . . .

Mr. Cutler then turned to paragraph 5–f, which read as follows: "In the event of unprovoked Communist armed attack on the personnel, aircraft or facilities of the United States, promptly take punitive action including the use of armed force if necessary and appropriate." While, said Mr. Cutler, there was no split view regarding this paragraph, it had been very carefully phrased by the Planning Board, and it was of such importance that he felt the Council should give careful consideration to it. The President inquired whether, as written, the paragraph gave unlimited authority to the commander in the field to take whatever punitive action he desired in retaliation against a Communist attack. Could he, for example, go off and bomb Peiping? Would it not be desirable to prescribe some kind of limitation on the authority of the commander in the field to take such punitive action?

Secretary Dulles thought some limitation was desirable, and suggested that the punitive action should be taken only in accordance with guidance from the President.

After further discussion of the meaning of this paragraph, the President asked whether what was involved was simply the right of a commander to take protective action against an attacking plane or ship; but Admiral Radford said that the commanding officer's right to protect himself was standard procedure, and more than this was involved in the paragraph. If that were the case, replied the President, there would be plenty of time for the National Security Council to make a decision as to punitive actions to be taken by a commander over and beyond action to defend himself against his attackers. Nevertheless, said the President, he wanted no more sanctuaries such as had existed for the Communists in Manchuria during the Korean war. The commander should also have the right to "hot pursuit", both against attacking aircraft and attacking submarines. He then inquired of Admiral Radford whether the intent of the present paragraph could be transmitted into orders to the commanders in the field which would make sense and which they could understand. Governor Stassen thought the matter of such significance that the Joint Chiefs of Staff should give further consideration to the wording and intent of the paragraph. Admiral Radford agreed that the paragraph did need further consideration.

Secretary Dulles pointed out that in this further consideration the definition of "unprovoked attack" should certainly be clarified in order to narrow the concept of unprovoked attack to attack at a place where the U.S. ship or plane had a "right" to be.

The President said that if this was a matter of genuine punitive action as opposed to protective action, he wanted any such decision to be made in the National Security Council and not by some commander out in the area. While we did not wish to put handcuffs on ourselves ever again, as we had in the Korean war, nevertheless we must do everything possible to avoid getting into wars with Communist China or the Soviet Union.

Secretary Wilson said that he was still at a loss to understand why the crew of the plane which the Russians had recently shot down off Hokkaido had not returned the fire of the attacking Soviet aircraft. Both the President and Admiral Radford replied that they were equally at a loss to understand this failure to shoot back.

Reverting to the question of when an attack is and is not unprovoked, Secretary Dulles pointed out that it was often very difficult to make a decision. Three miles had long been the usual limit beyond which territorial waters or sovereign air space did not extend. Nevertheless, the United States itself might well decide to shoot down Soviet planes which approached as far as three miles from our U.S. shores. In turn, the Soviets would regard intrusion within three miles of their coasts by U.S. planes or ships as highly provocative. Whether, in such a case, attack by Soviet aircraft was unprovoked was certainly open to question. The President commented that he certainly hoped we would shoot down Russian military aircraft coming within three miles of our coasts, and Secretary Wilson added his view that a limit of 25 or 30 miles would now be comparable to the traditional three-mile limit.

Mr. Cutler directed the Council's attention to paragraph 6-e, the last sentence of which read: "At present, it appears both necessary and feasible to increase materially the scale of assistance to South and Southeast Asia, which are most directly threatened by Communist expansion." Mr. Cutler explained that Treasury and Budget desired to delete this sentence because they believed it to prejudge a function of the high-level committee which had been set up by Council action to examine the problem of an economic grouping of the free Asian states. Both the Secretary of State and the President promptly agreed to the deletion of this sentence.

After further discussion of paragraphs 6-f and 6-g, the Council proceeded to consider the most significant split in the paper, which occurred in paragraph 7. This paragraph, which had been originally proposed by the Department of Commerce, called for a package deal which, in return for seating both Chinas in the UN Assembly and opening trade with Communist China on the same basis with the European bloc and recognizing the existence of two Chinas, the Communists would admit Japan to the UN, would withdraw their forces from North Korea and agree to free elections there, and abandon their subversive pressure in South Vietnam and elsewhere in free Asia. Mr. Cutler said that FOA had joined with the Commerce Department in at least desiring to get these big issues up for discussion by the National Security Council.

Governor Stassen said that the process by which these issues were brought up to the Council through the mechanism of the NSC Planning Board was a desirable and useful process, but that FOA did not desire to press such policy issues as those contained in this paragraph unless the State Department desired to press them. Mr. Cutler again stated that initially paragraph 7 had been a Commerce Department proposal. He pointed out its relationship to paragraph 8, in which the Commerce Department took a quite contrary view in urging a very tough U.S. policy with respect to continued embargo and restrictions on trade with Communist China. This apparent contradiction in the position of the Department of Commerce he explained as animated by a desire to force a decision one way or the other, since Commerce felt that our present trade policy toward Communist China lacked consistency and clarity. It was not designed clearly to woo Communist China away from Russia by inducements or by harsh measures. He then asked Secretary Weeks to elucidate the Commerce position.

Secretary Weeks stated initially that he desired to address himself solely to the "trade angle". This was full of difficulties. We clearly recognize that Soviet Russia and Communist China cannot have war machines unless they first have industrial machines. Neither of these countries could be described now as a first-rate industrial power, but we are in a fair way to assist Russia and China to become industrial nations. Secondly, we tend to look at Communist China and Soviet Russia as a single unit, not as separate countries. He understood, continued Secretary Weeks, that there were two viewpoints within the walls of this room. One wished to maximize China's dependence on Russia as a means of destroying their close relationship; others desired to minimize China's dependence on Russia to the same end.

Secretary Weeks then indicated his extreme dislike of the changes in the trade controls of the free world on Communist China that had been brought about by the British initiative of last August.[6] He believed that many of these changes had been dangerous to the national security of the United States. What are we going to do, he asked, about China? The British contend that we should treat trade with China just as we treat trade with the European Soviet bloc. In short, we should put controls only on military and highly strategic items. Trade with the Soviet bloc, according to the British, was one of the best means of enhancing the prospects for peace, especially if more consumer goods were provided to the Soviet bloc populations. Accordingly, the British are now going to propose a new look at the controls on the free world's trade with Communist China. If, as a result, these controls are reduced, they will be reduced all along the line, including items the U.S. regards as highly strategic. The Department of Commerce believed that this would be very unfortunate.

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[6] For documentation, see volume XIV.

Secretary Weeks then said he had two or three suggestions for meeting the situation. In the first place, the United States might decide to go along with the British in looking at trade with China and Russia in the same light, but try to get our allies to back us up in an effort to impose more severe restrictions on trade in items with either China or Russia which we deemed of great significance for our security. Secondly, and if the first suggestion didn't work, we might consider the possibility of trading "bloc to bloc" with the Communist nations.

The President leaned back and said, let's assume a condition in which all trade between the free world and the Soviet bloc is completely cut off. How much will the United States then do to help those free world countries which depend on trade, such as Japan? Will we dole out sheer subsidies to save their economies from collapse? Secretary Weeks replied that with respect to Japan he would permit the Japanese to trade with Communist China. But you would not permit the British to do so, replied the President.

Secretary Weeks denied that he was proposing to cut off all trade. Indeed, he favored trade. But he wished more attention paid to the control of significant strategic materials. Perhaps if everyone was going to trade with Communist China the United States ought to do so too. The President in turn denied that he had any desire to build up Chinese Communist war potential. He was merely insisting, he said, that both parts of the question be answered at the same time. If we propose to prevent trade between the free world countries and the Soviet bloc, what alternative do we provide these free world nations?

Governor Stassen commented that one obvious factor was our growing inability to force our views on the other free nations. Over and above this fact was the fate of governments if they made the attempt to go along with our present trade policy vis-à-vis the Soviet bloc. They were at once attacked by their own citizens, as was illustrated by the current difficulties of Premier Yoshida in Japan, not to mention Ceylon and Indonesia. Accordingly, Governor Stassen said he was convinced that we must find a more realistic approach to trade with the Communist bloc. We must recognize that these countries must earn their livings, and confine our restrictions on East-West trade to the really significant and strategic materials which contributed directly to the war potential of our enemies. Governor Stassen took issue with Secretary Weeks' appraisal of the effect of the relaxation in trade controls instigated by the British last summer. He cited the fact that controls on transshipment of strategic materials were working more effectively than ever before. We have also secured credit controls on a significant list of materials. He doubted, therefore, if the recent changes had really been to the net disadvantage of the free world vis-à-vis the Soviet bloc.

Mr. Cutler then invited the opinion of Secretary Dulles with respect to paragraphs 7 and 8.

Secretary Dulles stated that it would be, in his opinion, disastrous to set up a group to study the recognition of China, its seating in the UN, and the opening of trade with China on the same basis as current trading with the Soviet European bloc. To study such a package deal as called for by paragraph 7 would be to cause a whirlpool in the free world. Mr. Cutler interrupted to point out that an equally dangerous whirlpool would be caused in the United States if such a study were undertaken by the Government. Accordingly, Secretary Dulles called for the deletion of paragraph 7.

The President inquired whether a study had ever been made of the conditions under which the United States *could* possibly recognize Communist China at some future time. Secretary Dulles replied in the affirmative, but pointed out that the basic condition for such recognition was rather intangible. As long as Communist China is so bitterly hostile to the United States, we certainly do not want to enhance its prestige. There were no visible signs of any diminution of this hostility and, indeed, announcement of the forthcoming treaty between the United States and Formosa would serve to heighten Communist China's hatred. Accordingly, at the present time no such package deal for a settlement, as outlined in paragraph 7, was desirable.

Governor Stassen expressed agreement with the Secretary of State as to the undesirability of such a study at this time, but warned that it was important for the United States to study such problems as this early enough to have a timely solution when the appropriate moment arrived.

Mr. Cutler then called on the Council for a decision between the two versions of paragraph 8–c. He pointed out that the version in the left-hand column, proposed by State, Treasury, Budget and CIA, was the more moderate, and called for a continuation of approximately our present policy with respect to restrictions on the trade of free world nations with Communist China. The version on the right-hand side, supported by Defense, Commerce, ODM and the JCS, was harsher, and sought a virtual embargo on all this trade.

The President said that to his way of thinking the embargo course of action in the right-hand version simply slammed the door in Japan's face. Secretary Dulles also indicated that he could not go along with this harsher course of action, although he also objected to the proposal on the left-hand side, which called for early consultations, particularly with the UK and France, looking toward agreement on Chinese trade controls. This was not the moment, insisted Secretary Dulles, to start such conversations.

The President inquired of the Secretary of State whether he thought the course of action to reimpose more effective controls by the U.S. and other countries over the Soviet bloc in Europe, to prevent transshipments to China, was feasible. Secretary Dulles replied in the negative, indicating again that the entire course of action on the right-hand side of the page was infeasible. He said he would like to have Governor Stassen's opinion as to whether there was any likelihood of our securing more effective controls to prevent the transshipment of materials sent to the Soviet Union from being transshipped thence to China. Secretary Dulles said that Thorneycroft (President of the British Board of Trade) had indicated to him that Britain might be willing to impose more effective transshipment controls if in return the United States would agree on a list of controls common to both the Soviet Union and Communist China.

Governor Stassen said he believed that this was the British point of view, and that we might even manage to add additional items to the lists for international control if the lists for the European Soviet bloc and Communist China were made identical.

Dr. Flemming inquired whether, if the Council adopted the left-hand version of paragraph 8–c, language could be added to it which would prevent exchange of materials which contributed to the buildup of Chinese Communist war potential. The President pointed out to Dr. Flemming that his suggestion was already agreed U.S. policy. It was, however, a matter of degree and of seeing to it that friendly nations were able to make their livings. With 52 million people cooped up in the United Kingdom and 85 million in Japan, trade was a vital necessity. We have made it all too plain that we will not trade to any great extent with these countries. Every time you bring up to Congress a proposal to lower tariff barriers, Congress responds by trying to raise the level. The President said he was afraid that nations like Japan might well go Communist if they were deprived of the possibility of trading. Such a turn of events would *really* build up the war potential of the Communist powers.

Mr. Cutler proposed language to meet the President's point, but the President said with impatience that he was not interested in mere agreement on words. What he wanted was an agreed NSC policy and a decision on his initial basic question of finding alternatives if we insisted on trying to eliminate free world trade with Communist China.

Secretary Weeks said there appeared to be three major questions which needed answering. If this trade with the Communist bloc was to be permitted or encouraged, do all the free nations except the United States engage in the trade? Second, do we trade with the Soviet bloc as individual nations, or do we trade bloc to bloc? Third, how do we make sure that the Communist bloc doesn't get war materials and that we ourselves receive a *quid pro quo*?

The President said that the time was approaching to settle three big questions with respect to U.S. trade policy. First, should U.S. trade policy with the Soviet bloc be the same policy as that of its major allies? Second, do we agree that we ought to treat Communist China and the European Soviet bloc in the same fashion, subject, of course, to special situations? Third, are we agreed that we should hold the line against exporting munitions of war, heavy fabricating machinery, and the like? Let us, continued the President, take these three questions and develop our simple plan; for we shall have to explain this thing and clear it all with the Congress, and we should have our arguments ready.

Secretary Weeks suggested that the NSC Planning Board be directed to present a paper answering these questions, but Mr. Cutler said that we could quickly get a new paragraph in the present paper to cover the President's point.

Taking issue with Mr. Cutler's timing, the President said jokingly that while he was dead sure of his competence to decide very difficult issues (with a smile), on this particular one he had just shot from the hip. He wanted his three questions, therefore, to be studied, particularly by the Joint Chiefs of Staff, and not decided by the Council at this time.

Secretary Wilson said that he felt that he was closer to the President on this whole problem of U.S. trade policy. He was, however, personally opposed to Secretary Weeks' suggestion of conducting trade with the Communist powers on a bloc-to-bloc basis. The Director of the Budget said that he quite agreed with Secretary Wilson, adding that such a bloc-to-bloc approach was directly contrary to traditional U.S. trade practices and the idea of free enterprise. It would be tantamount to "government-to-government" trade. The President said it would be quite different if the present world were organized on a free enterprise basis, but as matters now stood we must recognize the facts and deal with them realistically.

Mr. Cutler turned to the final split paragraph of the report, 10–b, which read: "Make clear to the Communist regimes that resumption of normal relations between them and the United States is dependent on concrete evidence that they have abandoned efforts to expand their control by military force or subversion." The State Department, Mr. Cutler pointed out, proposed that this subparagraph be deleted; the other agencies favored its inclusion. The President said that he was opposed to the inclusion of the subparagraph, for the simple reason that it was not enough justification for the resumption of normal relations between the U.S. and the Communist powers of Asia.

The National Security Council: [7]

a. Discussed the subject on the basis of the reference report (NSC 5429/3) in the light of the views of the Joint Chiefs of Staff contained in the reference memorandum.

b. Agreed upon the following changes in the statement of policy contained in NSC 5429/3:

(1) *Paragraph 2:* Include the sentence in brackets, amending the last portion to read as follows: "inherently such regimes have elements of rigidity and instability which sometimes produce crises."

(2) *Paragraph 4–c:* Reword as follows:

"c. Reduction of Chinese Communist power and prestige, or securing by reorientation a government on the mainland of China whose objectives do not conflict with the vital interests of the United States."

(3) *Paragraph 4–e:* Include, deleting from the first two lines the words "non-Communist" and ", and ultimately within Communist China,".

(4) *Paragraph 5–b:* Revise the last two lines to read as follows: "with U.S. security interests and subject to continued ROK cooperation."

(5) *Paragraph 6–e:* Delete the bracketed sentence and the footnote relating thereto.

(6) *Paragraph 6–f:* Delete the bracketed section and the footnote relating thereto.

(7) *Paragraph 6–g:* Delete the bracketed section and the footnote relating thereto.

(8) *Paragraph 7:* Delete, together with the footnote relating thereto, and renumber the remaining paragraphs accordingly.

(9) *Paragraph 8:* Delete the bracketed section at the beginning, and the footnote relating thereto.

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[7] Lettered paragraphs a–b below constitute NSC Action No. 1275. (S/S–NSC (Miscellaneous) files, lot 66 D 95)

(10) *Paragraph 8–d:* Delete the bracketed section and the footnote relating thereto, and insert, after the words "each other" in line 7, the words ", particularly by stimulating Sino-Soviet estrangement,".

(11) *Paragraph 10:* Delete subparagraph b and the footnote relating thereto.

(12) Revisions, in the light of the discussion, to be prepared by the NSC Planning Board for further Council consideration, of:

(a) An additional paragraph under paragraph 5, covering Indonesia.
(b) Paragraph 5–f.
(c) Paragraph 8–c.

3. Asian Economic Grouping (NSC 5429/2; NSC Action No. 1233 [8])

The National Security Council:

Noted an oral report by Mr. Cutler on the work of the Special Committee established pursuant to NSC Action No. 1233–a.

. . . .

S. EVERETT GLEASON

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[8] See footnote 4, p. 932.

790.5/12–154

Memorandum by the Assistant Legal Adviser for Far Eastern Affairs (Snow) to the Acting Director of the Office of Philippine and Southeast Asian Affairs (Young)

SECRET [WASHINGTON,] December 1, 1954.

Subject: Legal Question Involving Participation of Associated States in Manila Peace Conference

1. Your memorandum of November 30, 1954 to L/FE Mr. Snow [1] asks what can be done to make a reality of the protocol to the Manila Pact in the matter of associating Cambodia, Laos and Viet-Nam with the Pact, in the light of the Geneva accords. You also ask whether there are any restrictions, implied or otherwise, in the Geneva accords which would prevent these states from attending as observers any meeting of the Manila Pact signatories, and what would be the increasing degree of participation permissible in *ad hoc* committees set up by the signatories.

2. Under Article IV of the Southeast Asia Collective Defense Treaty signed at Manila on September 8, 1954, each party recognizes that aggression by means of armed attack in the treaty area

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[1] Not printed.

(South-East Asia, etc.) against any of the parties, or *against any state or territory which the parties by unanimous agreement may designate,* would endanger its peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. The parties also agree that if the sovereignty or political independence of any such party or state or territory is threatened in any way other than by armed attack, the parties shall consult immediately in order to agree on the measures which should be taken for the common defense. However, no action on the territory of any other state so designated shall be taken except *on the invitation or with the consent of the government concerned.* In the Protocol to this Treaty the parties unanimously designate for the purposes of Article IV the states of Cambodia and Laos and the Free Territory under the jurisdiction of the State of Viet-Nam. This is the protocol which you desire to "make a reality."

3. The pertinent provisions of the Geneva accords are as follows:[2]

a. In the Agreement on the Cessation of Hostilities in Viet-Nam (20 July 1954) Article 19 reads as follows:

> "With effect from the date of entry into force of the present Agreement, no military base under the control of a foreign State may be established in the regrouping zone of either party; the two parties shall ensure that the zones assigned to them do not adhere to any military alliance and are not used for the resumption of hostilities or to further an aggressive policy."

b. At the Geneva Conference on July 21, 1954, the Royal Government of Cambodia declared:

> "The Royal Government of Cambodia will not join in any agreement with other states, if this agreement carries for Cambodia the obligation to enter into a military alliance not in conformity with the principles of the Charter of the United Nations, or, as long as its security is not threatened, the obligation to establish bases on Cambodian territory for the military forces of foreign powers.
>
> "During the period which will elapse between the date of the cessation of hostilities in Viet-Nam and that of the final settlement of political problems in this country, the Royal Government of Cambodia will not solicit foreign aid in war material, personnel or instructors except for the purpose of the effective defence of the territory."

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[2] Full texts of the agreements and declarations cited below are printed in vol. XVI, pp. 1505 ff.

This declaration was incorporated as Article 7 in the Agreement on the Cessation of Hostilities in Cambodia (21 July 1954).

c. Similarly at the Geneva Conference on July 21, 1954 the Royal Government of Laos declared:

> 'The Royal Government of Laos will never join in any agreement with other States if this agreement includes the obligation for the Royal Government of Laos to participate in a military alliance not in conformity with the principles of the Charter of the United Nations or with the principles of the agreement on the cessation of hostilities or, unless its security is threatened, the obligation to establish bases on Laotian territory for military forces of foreign powers.
>
> "During the period between the cessation of hostilities in Viet-Nam and the final settlement of that country's political problems, the Royal Government of Laos will not request foreign aid, whether in war material, in personnel or in instructors, except for the purpose of its effective territorial defence and to the extent defined by the agreement on the cessation of hostilities."

d. Articles 4 and 5 of the Final Declaration of the Geneva Conference, 21 July, 1954, read as follows:

> "4. The Conference takes note of the clauses in the agreement on the cessation of hostilities in Viet-Nam prohibiting the introduction into Viet-Nam of foreign troops and military personnel as well as of all kinds of arms and munitions. The Conference also takes note of the declarations made by the Governments of Cambodia and Laos of their resolution not to request foreign aid, whether in war material, in personnel or in instructors except for the purpose of the effective defence of their territory and, in the case of Laos, to the extent defined by the agreements on the cessation of hostilities in Laos.
>
> "5. The Conference takes note of the clauses in the agreement on the cessation of hostilities in Viet-Nam to the effect that no military base under the control of a foreign State may be established in the regrouping zones of the two parties, the latter having the obligation to see that the zones allotted to them shall not constitute part of any military alliance and shall not be utilized for the resumption of hostilities or in the service of an aggressive policy. The Conference also takes note of the declarations of the Governments of Cambodia and Laos to the effect that they will not join in any agreement with other States if this agreement includes the obligation to participate in a military alliance not in conformity with the principles of the Charter of the United Nations or, in the case of Laos, with the principles of the agreement on the cessation of hostilities in Laos or, so long as their security is not threatened, the obligation to establish bases on Cambodian or Laotian territory for the military forces of foreign Powers."

4. It will be noted that the declarations by the Royal Governments of Cambodia and Laos differ from the agreement of the par-

ties in the case of Viet-Nam. The Governments of Cambodia and Laos declare that they will refrain from joining agreements with other states only if the agreement is a military alliance *not in conformity with the principles of the Charter of the United Nations.* Article VI of the Southeast Asia Collective Defense Treaty provides as follows:

> "This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each party declares that none of the international engagements now in force between it and any other of the parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

It is the opinion of the Legal Adviser's Office that this Treaty is not a "military alliance not in conformity with the principles of the Charter of the United Nations." Hence, in answer to your questions, the Legal Adviser's Office concludes that there is nothing in the Geneva accords which would legally interfere with any degree of association on the part of Cambodia and Laos with the Manila Pact. However, it will have been noted that both of these States have declared that they will not solicit foreign aid in war material, personnel or instructors *except for the effective defense of their territory,* and, in the case of Laos, to the extent defined in the Agreement on the Cessation of Hostilities.

5. In the case of Viet-Nam the parties to the Agreement on the Cessation of Hostilities have agreed severally that the zones assigned to them will not *adhere to any military alliance.** This would certainly bar Viet-Nam from adhering to or becoming party to the Manila Pact. Probably it would also bar Viet-Nam from inviting or consenting to action on its territory by the parties, under Article IV of the Pact and the Protocol. However, it is the opinion of the Legal Adviser's Office that the agreement would not bar Viet-Nam from sending observers to a meeting of the Manila Pact signatories, nor perhaps from participation in *ad hoc* committees set up by the signatories. Just where the line is to be drawn short of adherence or becoming party to the Manila Pact is not clear.

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* The French version reads "ne fassent partie d' ", which is translated in the Final Declaration "shall not constitute part of". [Footnote in the source text.]

Conference files, lot 59 D 95, CF 415

Background Paper Prepared by Mildred M. Yenchius of the Office of South Asian Affairs [1]

SECRET [WASHINGTON,] December 1, 1954.
KV D-5

CEYLON AND THE MANILA PACT

Ceylon was invited to attend the conference at Manila which resulted in the Southeast Asia Collective Defense Treaty and the Pacific Charter. It declined to attend but the Ministry of External Affairs communiqué on the subject stated that Ceylon is "prepared to maintain an open mind on the subject". [2]

The Prime Minister has told our Embassy in Colombo that he personally believes the future of Ceylon lies with the West and he supports the Manila Pact in principle. He stated, however, that the majority of the Cabinet, public opinion and press were very much against such a commitment. Later, however, on September 16 the Prime Minister informed our Embassy [3] that the Cabinet had agreed with him not to make a final decision on participation in the Manila Pact until after his return from the United States.

At that time our Embassy at Colombo commented that Ceylon was primarily interested in such economic benefits as might be obtained from participation, and that Ceylon would probably not adhere to the Pact if it continued to be ineligible for American economic assistance under provisions of the Battle Act. [4]

Affecting Ceylon's attitude toward the Manila Pact is its reluctance to give up its very profitable trade in strategic rubber with Communist China; Ceylon is concerned that its adherence to the Manila Pact might require it to stop that trade. Ceylon's defense is already provided for under a defense agreement with the United Kingdom. Besides communications facilities, the Royal Navy has base rights at Trincomalee and the Royal Air Force maintains a base at Negombo. Apart from these bases which are already available to the British, Ceylon has no significant military strength to contribute in the event of further Communist aggression in Asia.

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[1] Attached to a covering note of Dec. 1 by Richard D. Nethercut of the Reports and Operations Staff. This paper was prepared in conjunction with the visit of Prime Minister Kotelawala, who was in Washington, Dec. 6-8.

[2] See footnote 1, p. 902.

[3] The Prime Minister's conversation with Ambassador Crowe on that date is summarized in telegram 100 from Colombo, Sept. 16, not printed. (396.1 MA/9-1654)

[4] For text of the Mutual Defense Assistance Control Act of 1951, approved Oct. 26, see 65 Stat. 644.

We hope that Ceylon eventually will associate itself with the Manila Pact. We recognize, however, that public opinion in Ceylon presently does not favor adherence to the Pact. We would not wish Ceylon to adhere to the Pact if such action would lead to Sir John's dismissal as Prime Minister. [5]

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[5] The Secretary and Sir John discussed the Manila Pact in a meeting held in the late afternoon of Dec. 7.

"The Secretary asked the Prime Minister his views on the Manila Pact. The Prime Minister expressed his appreciation of the action which he implied was a strengthening of the area for free nations and expressed his appreciation for the door being kept open to other nations in the area. He went on to note, however, the need for provision in the Pact for aggression other than Communist aggression. The Secretary observed that under the provisions of the Pact the United States stood ready to come to the assistance of those subject to communist aggression and armed attack (Article IV paragraph 1), and in the Understanding expressed our willingness to consult under the provisions of Article IV paragraph 2 as to the proper course of action in the event of other aggression or armed attack.

"The Prime Minister said that the Communist line of propaganda attack on the Manila Pact was that the Pact was designed only to serve the United States interest in opposing communism and was not designed to contain aggression as a matter of principle. The Secretary observed that the communists would of course follow this line and attempt to undercut the development of strength in the area for resistance to the primary danger of communist aggression. The Secretary went on to note the great problem of defining aggression, and observed that subversion was hard to identify and harder to combat. He posed the problem of defining a true revolution in terms which would permit a proper course of action. The Secretary added his belief that so far the best approach to the general problem had been made at the Tenth Inter-American Conference where it was agreed that should the international communist movement take control of the political institutions of any of the countries, this would constitute a threat to the area and would call for a Meeting of Consultation to consider the adoption of appropriate action.

"The Prime Minister agreed that this problem of the definition of subversion and aggression was a most difficult and pressing one. He said that it was compounded, as indicated by the Secretary, by acute nationalism. He said that he had met with some difficulty in the Colombo Prime Ministers' conference in getting a resolution condemning the exportation of communism; his proposal was countered with a proposed amendment which would likewise condemn the exportation of anti-communism." (Summary minute of meeting by J. Robert Fluker, Officer in Charge of Economic Affairs, Office of South Asian Affairs; drafted Dec. 13; attached to covering note dated Dec. 13 by Nethercut, not printed; Conference files, lot 59 D 95, CF 415, KV SM-1)

FE files, lot 55 D 480

Memorandum by the Deputy Under Secretary of State (Murphy) to the Secretary of State

SECRET [WASHINGTON, undated.]

Subject: Interim Report [1] of the Working Group to the NSC *Ad Hoc* Committee on an Asian Economic Grouping

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[1] Dated Nov. 30, not printed. (FE files, lot 55 D 480)

At the first meeting [2] of the NSC *Ad Hoc* Committee on an Asian Economic Grouping, [3] chaired by Mr. Hoover, it was decided to constitute a Working Group comprising a representative from each agency represented on the *Ad Hoc* Committee. The Working Group has just submitted an interim report. There will not be time to call a meeting of the *Ad Hoc* Committee to consider the report before the NSC meeting on Friday, December 3, but each member of the *Ad Hoc* Committee has been asked to bring the interim report to the attention of his NSC member before that meeting. The report has received no official agency clearances.

A very brief summary of the Working Group's interim report follows for your information:

1. Present economic conditions in the Far East and South Asia present opportunities which can be exploited to Communist advantage. Improvement of these conditions would constitute one means of opposing Communist efforts to extend their influence by means short of war. U.S. support of efforts to achieve such improvement should not be regarded as a substitute either for needed internal efforts or for measures to achieve adequate military strength but as a part of the *total* anti-Communist defense in Asia.

Lasting improvement of economic conditions in these countries requires a program of basic economic development. U.S. assistance to such a program at levels above aid presently provided would accelerate economic growth sufficiently to make the additional assistance justified by U.S. security interests. (Certain Working Group members did not believe that sufficient evidence had yet been offered to support the need for increased aid to achieve the objective stated.)

2. The basic objective in furtherance of the policy expressed in paragraph 3 of NSC 5429/2 and paragraph 23 of NSC 5422/2 (attached) [4] should be to create in the Far East and South Asia a material and psychological condition which will progressively increase public confidence in the ability of non-Communist governments there to bring about perceptible economic development and increasing political stability. This will necessitate elimination of elements of economic weakness which are presently hampering efforts to develop political stability, and increasing vulnerability to Communist pressures and Communist propaganda claims of more rapid economic development under Communist regimes. A U.S. economic program which will contribute most effectively to the attainment of these objectives should aim to:

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[2] Held Nov. 16.

[3] Chaired by Hoover, the Committee had members from the Departments of the Treasury, Defense, and Commerce; the Foreign Operations Administration; the Office of Defense Mobilization; and the Bureau of the Budget. Amory served as its Intelligence Adviser and Staats sat as Observer.

[4] A report entitled "Guidelines Under NSC 162/2 for FY 1956", Aug. 7, 1954; not found attached. Regarding this subject, see volume II.

a Encourage increased economic cooperation among these countries through the activities of an Asian economic organization which will promote improved techniques of economic analysis and the adoption of sound and constructive fiscal and economic policies;

b Provide needed resources, in addition to contributions from other non-Communist countries, for the financing of projects which will accelerate general economic growth;

c Give financial support, if necessary, to other types of projects which, for political or other reasons, will strengthen resistance to Communism; and

d Produce the maximum favorable impact upon Asian public opinion concerning the U.S. and U.S. motives.

3. Because of the nature of its membership and objectives, the Consultative Committee for Economic Development in South and Southeast Asia (Colombo Plan) should be developed into the kind of regional organization which will accomplish the desired objectives. In addition to performing other functions, the organization could, if desired, also actively participate in the distribution of economic assistance provided by the U.S. and other non-Asian countries. This could be done by either of the following methods:

a Through a fund established as a part of a regional organization and comprising currencies contributed by the member countries on a loan and share subscription basis, to be used to finance development projects susceptible of loan financing but for which loans repayable in dollars under standard IBRD or Export-Import Bank periods of repayment are neither appropriate nor available. These loans would be long term, and terms of payment would be adjusted to the currency availabilities of the borrowing country. The U.S. and other member countries would be able to disapprove loans which involved the use of their currencies.

b The regional organization would screen and make recommendations with respect to developmental loan applications but the actual loans would be made under present bilateral methods.

U.S. military end-item assistance, other aid related directly to military programs, and technical assistance would continue, as a general rule, to be furnished on a bilateral grant basis.

4. There should be sufficient flexibility to enable U.S. economic aid, where necessary, to assist in meeting deficiencies in local funds, shortages of which constitute a major deterrent to certain types of economic development projects in Asia.

5. Aid extended to Asia should be considered in conjunction with aid to other areas and be in line with over-all demands for U.S. financial resources.

6. If possible, U.S. aid should be made available, or at least authorized, on a longer run basis which would permit a higher degree of foreign development planning than is permitted by year-to-year authorizations.

7. Total U.S. aid expenditures to the Far East and South Asia* since July 1, 1950 were more than $5.5 billion. Deducting the share extended to Japan, Korea, Formosa, and Indochina, total expenditures for all other countries were only $350 million. Economic aid only during fiscal years 1951–54 (Formosa and Korea excluded) amounted to $269.2 million and will reach about $271 million in FY 1955. *Expenditures* of Export-Import Bank and IBRD funds during the entire period totalled $130 million. Total non-U.S. aid (excluding IBRD) amounted to about $378 million.

Despite this volume of external assistance, productivity in most of the area has failed to keep pace with population growth and in some countries real living standards are below those of 1939. In general, a shortage of resources largely because of the low rate of internal capital accumulation is retarding economic growth.

Regional and country experts from various U.S. agencies who consulted with the Working Group expressed the opinion that, assuming that economic assistance from other than U.S. sources would continue at approximately the present level, a total of U.S. economic assistance in the amount of approximately $2.3 billion† over the three years, FY 1956–58, extended to the countries of the Far East and South Asia (excluding a possible need for $935 million for Japan, Formosa, and South Korea) if utilized for economic developmental purposes would set in motion a process which, if continued, would appreciably stimulate economic growth in the area. Of this estimated total more than $1 billion would be earmarked for India, $220 million for Pakistan. Over the three year period Southeast Asia would receive $805 million and South Asia $1470 million. The U.S. share of this total would, of course, depend upon the volume of contributions by other countries but the largest share would undoubtedly have to be borne by the U.S. The Working Group did not accept or reject these figures but offered them for illustrative purposes.

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* Statistical break-down at Tab A. [Footnote in the source text. Tab A is not attached.]

† Country break-down at Tab B. [Footnote in the source text. Tab B is not attached.]

790.5/12-354

Memorandum by the Counselor of the Department of State (MacArthur) to the Secretary of State

SECRET [WASHINGTON,] December 3, 1954.

I attach a draft paper prepared by a State–Defense–CIA working group on activities that could be undertaken by the Manila Pact powers to combat Communist subversion. This paper would be tabled in the Manila Pact working group which will begin operations here in Washington on December 6. Before we actually table the paper in our working group, we will discuss it with the British here in compliance with the request which Ambassador Makins made to you last week.

We are anxious to talk to the British about this as soon as possible but before doing so, I wanted you to glance over the paper and see if there were any points which you wished to make before we go ahead and show it to the British. [1]

DOUGLAS MACARTHUR II [2]

[Attachment]

ACTIVITIES THAT COULD BE UNDERTAKEN UNDER THE MANILA PACT TO COMBAT COMMUNIST SUBVERSION [3]

1. *The Nature of the Problem:* It is generally agreed that at this time the major communist threat in Southeast Asia is more one of internal subversion than of overt military invasion. Whereas the latter threat can be met by the firm resolve of the signatory powers to carry out their obligations under the Manila Pact, subversive activities are less readily identifiable as such and can be countered effectively only by measures far subtler than military action. Communist subversive attacks upon the governments of free nations are usually either cloaked under the guise of legitimate political activities (including agitations by communist-led labor organizations and other communist fronts) or, if they take the form of guerrilla warfare, are represented to the world at large as expressions of valid nationalist or indigenous revolutionary forces. The provision of certain kinds of external aid to a government to assist it in resisting internal subversion may therefore not only be denounced by the communists as interference in the affairs of the country but may have this appearance in the eyes of neutral nations or even of some of the people of the country concerned. Accordingly, the first principle to be recognized in devising measures to cope with this threat is that resistance to subversion is, and must of necessity always be, primarily the responsibility of each national government.

2. *General Approach to the Problem of Mutual Assistance:* Much of the assistance that may be provided by the governments of the treaty members to meet communist subversion will have to be

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[1] This memorandum bears several handwritten marginal notes, including the following: "OK JFD" and "Sec approved R[oderic] O'C[onnor]". Another note indicates that MacArthur was informed of the Secretary's action by phone on Dec. 3.

[2] A note in MacArthur's handwriting underneath his signature reads: "P.S. CIA will have some minor modifications simply for clarification. We now plan to talk to British on next Tuesday, Dec. 7."

[3] Paper typed on Dec. 2; drafting officer(s) not named.

planned and carried out by the governments directly concerned rather than on a broad multilateral basis. As an example, certain types of help that one country might request from another in the political and psychological fields might best be worked out privately between the two governments directly concerned. There is the further consideration that there are areas of activity in which the need for and the possibilities of mutual assistance vary so greatly as between countries that a series of differing arrangements might be appropriate. In some cases, therefore, it might be unwise to attempt an all-inclusive program involving all the members. Moreover, many of the details of counter-subversive activity require a special technical knowledge and competence. Much of the detailed planning and implementation in this field should therefore be delegated to the appropriate officials in the countries concerned. Requests for assistance in this technical area should be strongly encouraged, but since each government must retain clear responsibility for combatting subversion in its own territory, the initiative must be left to each to seek the kinds of help it wishes through whatever arrangement it cares to work out from those members to whom it chooses to turn.

It is clear, however, that discussion among the members of the full range of problems involved in countering communist subversion will contribute importantly to the ability of all the members to meet this threat. Such discussion will lead to discovery of useful activities which can be undertaken either by all the members of the Pact or by the member countries individually.

3. *Forms of Mutual Assistance:* Types of assistance that the members might render to one another, and which might usefully be discussed include the following:

a. The exchange of information on communist personalities and communist subversive activities and propaganda within or against the states of the treaty area;

b. Mutual assistance in control of movement of communist agents and personalities, or of communist propaganda materials;

c. Exchange of information on the kinds of measures that have proved effective against communist subversion;

d. Assistance in the development and strengthening of local security forces (as distinguished from purely military forces) including on occasion (1) help in the training and indoctrination of such forces, (2) the supply of equipment for them, and (3) the exchange of views and experience as to how they may be used in combatting communism;

e. Assistance in the development of effective propaganda and information activities including advice on organization, the exchange of views on appropriate propaganda themes and, where appropriate, assistance in the supply of equipment and the training of technicians;

f. Cooperation in the development and maintenance of non-communist labor organizations and useful civic organizations, (such as those in the Community Center Movement in the Philippines), including arrangements for exchange of persons in the cultural and educational fields;

g. Exploration of the possibility of joint political action, supported by official statements, propaganda, and other activities, to counter subversive political movements against one or more of the signatory powers, especially movements that are based outside of the territory of the nation at which it is directed. (An example might be the Pan-Thai movement that is being nurtured by the Chinese communists);

h. Possible formulation at an appropriate time of a formal declaration setting forth in general terms the seriousness of the threat of communist subversion, asserting the determination of each member government to combat subversion within its own territory, and further strengthening the determination of the members to give mutual assistance to each other as may be useful and appropriate.

790.5/12-354: Telegram

The Secretary of State to the Embassy in Vietnam [1]

SECRET WASHINGTON, December 3, 1954—7:57 p.m.

2253. This message FYI and to be discussed only by US personnel.

Department telegrams 2070 Saigon, 161 Phnom Penh, 108 Vientiane and 2155 Saigon, 170 Phnom Penh, 118 Vientiane. [2]

Reps Manila Pact Govts agreed begin working group Washington December 6 to prepare for meeting Foreign Ministers early next year. We giving thought role which Manila Pact might play to assist Associated States maintain freedom and independence. Indochina problem will undoubtedly be discussed by ministers in exchange views re security SEA area.

Generally we wish encourage members Manila Pact help Associated States all possible ways deal with problems confronting them. However, believe we must handle this carefully since, on one hand, Associated States might get idea Manila Pact salvation all their troubles, and, on other hand, getting other Manila Pact members too deeply involved in detailed problems Associated States might result in confusion making our task more difficult.

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[1] Sent also to Phnom Penh, Vientiane, London, and Paris; drafted by Galloway, Young, and MacArthur, and cleared by PSA, WE, FE, and L. For a draft of this telegram, see p. 1001.

[2] None printed.

Assuming Manila Pact Foreign Ministers will in their exchange views agree on seriousness situation IC, believe first step should be guide discussion to agreement that each member should take such individual action as is possible to assist Associated States. For example, in addition US and French aid programs, possible assistance from UK; financial and other assistance from Australia and possibly New Zealand; diplomatic recognition by Philippines followed by consultations designed formulate other means Philippine assistance; diplomatic recognition by Pakistan; Thai-Associated States conversations re control, development and security Mekong traffic, other trade and economic matters, etc.

Another question is to what extent Associated States might actually participate in Manila Pact activities or be associated, formally or informally, with Manila Pact Council and any subsidiary organization e.g. as observers at meetings. We recognize that during next few months at least there might be strong opposition any such association on part certain Pact members in view Geneva armistice agreements and that Associated States themselves might have some doubts about such association. Whether or not Associated States Reps actually participated in Pact activities or attended meetings as observer, we would expect keep them fully informed on informal basis all aspects Pact activities bearing on IC.

Comments requested.

DULLES

890.00/12-154

Memorandum Found in Department of State Files

SECRET [WASHINGTON,] December 6, 1954.

MEMORANDUM FROM TREASURY TO NSC AD HOC COMMITTEE ON NSC 5429/2 [1]

The Committee has for its task the appraisal of the problems of assistance in the Far East, particularly with reference to regional activities as set forth in the reference document.

Each country in fact constitutes a separate and unique economic and political problem, but for purposes of analysis the countries of Far East and South Asia may be grouped into four categories:

1. *Korea, Formosa* and *Indo-China*—These countries clearly fall in the category requiring grant aid assistance, especially for defense support.

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[1] This committee was more formally known as the NSC *Ad Hoc* Committee on an Asian Economic Grouping. See footnote 3, p. 1020.

2. *Japan*—This is the only industrialized country in the area and has a problem of modernizing its plant and expanding its overseas markets. It is already making substantial progress through effective use of its own resources and is being assisted by large amounts of dollars arising from military spending. Much can be done to improve the climate for private investment in Japan. Further external financing for Japan can be done on a loan basis through established institutions. Additional assistance can, when needed, be provided from sales of agricultural commodities under Public Law 480.[2]

3. *The Philippine Islands*—The Philippines have a unique position in relation to the U.S., enjoy a preferential position in U.S. trade and benefit from U.S. military spending. The climate for private investment is relatively good. The Government is firmly oriented toward the West and has established internal security. Much can be done to speed economic development by technical assistance and by external financing through established lending institutions.

4. *South and Southeast Asia—Afghanistan, Pakistan, India, Ceylon, Burma, Malaya, Thailand and Indonesia.* These countries have low standards of living and low rates of saving and capital investment. In most of the area productivity has failed to keep pace with population growth and real living standards are, in some cases, below those of 1939. The capacity of these countries to absorb external economic assistance for development is limited. In most cases governments are relatively inefficient and private business and technical talent is limited. Most of the governments are new, highly nationalistic, and frequently suspicious of the U.S. They tend to be socialistic in their thinking and in many cases have not adopted policies favorable to inducing private investment.

The primary concern of our Government is, of course, to stop the expansion of Communism in the area. By itself, however, U.S. assistance for this purpose, no matter how massive, could make no more than a minute contribution to the improvement of living standards in the area.

The best hope for improving this situation lies in the process of persuasion and education by which these countries can themselves gradually develop savings, investment, and enterprise from within. External assistance is truly effective only if it is used as a lever to bring about such a fundamental improvement. For these reasons, technical assistance and loans through such agencies as the International Bank and the Export-Import Bank can be made useful instruments, though they may have to be supplemented by other forms of aid in the transition period. The important thing is to recognize that these various forms of external help are of little effectiveness by themselves. They are a means to stimulate more effective use of local resources.

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[2] Approved July 10, 1954, this statute is formally known as the Agricultural Trade Development and Assistance Act of 1954. For text, see 68 Stat. 454.

For the fiscal years 1950 through 1954, FOA expenditures for economic assistance to the area have totaled $177 million. During the same period disbursements by the International Bank and the Export-Import Bank have totaled $130 million. Committed but undisbursed funds of the FOA for the area at the end of June 1954 totaled $209 million and for the two banks $165 million as of September 30. (The foregoing figures include the Philippines.)

The essential problem before the U.S. Government at this juncture is whether we shall undertake commitments for a sustained period for development in this and other areas on a grand and contingent loan basis. The Treasury believes such a course will not stimulate these countries to make effective use of their own human and material resources but may have the opposite effect, nor will it encourage them to take the steps which will encourage private investment.

Rather the Treasury recommends a definite tapering off of grant and contingent loan assistance over the next few years. It recommends that technical assistance be maintained and the activities of the International Bank and the Export-Import Bank in the area be increased. The projected International Finance Corporation will also make a contribution over the longer term. Lending of these institutions can be supplemented by sales of agricultural surpluses under Public Law 480 and by limited *ad hoc* grant assistance under special circumstances.

Regional economic cooperation in the South Asian-Far Eastern area may be encouraged by strengthening the Consultative Committee of the Colombo Plan. Such a grouping may (a) consider the regional aspects of the development plans of member countries, (b) discuss development problems and policies, and (c) consider other economic problems of concern to Asian countries. The basic objective of having a regional grouping—to afford these countries an opportunity to build a community of spirit and a sense of mutual interest and responsibility for their own welfare—will thus be achieved.

Conference files, lot 60 D 627, CF 432

United States Minutes of Meeting of the Manila Pact Working Group [1]

CONFIDENTIAL [WASHINGTON,] December 6, 1954—3 p.m.

Participants *US*
C—Mr. MacArthur

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[1] Drafted on Dec. 8 by Gleysteen who is not listed among the participants. Nicholas G. Thacher of SOA was Acting Officer in Charge of Afghanistan-Pakistan Affairs.

FE—Mr. Sebald
Defense—Mr. Sullivan
PSA—Mr. Young
BNA—Mr. Horsey
SOA—Mr. Thacher
C—Mr. Galloway
Australia—Mr. F.J. Blakeney
France—M. Pierre Millet
New Zealand—Mr. G. R. Laking
Pakistan—Amb. Syed Amjad Ali
Philippines—Captain Albert
Thailand—Minister Devakul
United Kingdom—Sir Robert Scott

[Here follows discussion concerning the date of the proposed meeting of Manila Pact Foreign Ministers. See footnote 5 below.]

Discussion of the U.S. Military Advisers' Paper [2]

Copies of a U.S. working paper on the Military Advisers were distributed at the meeting. Mr. MacArthur suggested that consideration of this paper be deferred until representatives had time to study it and refer it to their governments. However, he asked Mr. Sullivan to make a preliminary explanation and answer any questions. Mr. Sullivan explained that the paper represented U.S. views on appropriate terms of reference for the Military Advisers to the Manila Council. Referring to the paragraphs in the U.S. paper on procedures and organizational arrangements, he stated that the U.S. believed it should be up to the Military Advisers to make their own recommendations on these questions. As a means of liaison between the Military Advisers, the U.S. was thinking in terms of an arrangement whereby the Military Advisers would designate liaison officers in one of the Treaty area capitals. In answer to Ambassador Ali's questions the U.S. representatives explained that the U.S. would like to have such an informal liaison arrangement in one of the two Asian capitals nearest to the area of concern, namely, Bangkok or Manila. In answer to a U.K. question, Mr. Sullivan said that the U.S. paper was not designed to exclude the possibility of a permanent military organization such as a small military secretariat. However, he said that consideration of this would be a matter for the Military Advisers themselves.

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[2] See telegram 288, *infra*.

Discussion of Paper on Council Procedures

Mr. MacArthur asked for comments on the U.S. working paper on Council procedures [3] which had been distributed prior to the meeting.

Regularity of Meetings—The Philippine representative suggested some minor rewording of the U.S. paper to emphasize that the Council would meet once each year and more often when deemed necessary by the members. He also suggested a regular meeting time for the Council each year. Mr. MacArthur explained the schedule difficulty of setting a regular time and suggested that at each Council meeting the Ministers would set a general date for the next Ministerial meeting.

Place of Meetings—Mr. Laking said New Zealand specifically supported the concept of peripatetic Council meetings without a fixed location. Sir Robert suggested that the U.S. paper be worded to preclude Council meetings outside the Treaty area. This suggestion received general support by all representatives, but Mr. MacArthur commented that the paper should not totally exclude the possibility of meetings outside the Treaty area. For example, he stated that if all the Manila Pact Foreign Ministers were attending a UN meeting in New York they might wish to hold a Council meeting in the U.S. There was general agreement that *ad hoc* meetings outside the Treaty area should not be excluded by the Council procedures paper.

Liaison and Permanent Headquarters—The New Zealand and Pakistan representatives pointed out that if Manila or Bangkok were chosen as the liaison center for the Council this would present a problem since neither country was represented in those capitals. Sir Robert stated that although it might not be possible at this time to agree on the establishment of a permanent headquarters for the Council, the U.K. did not wish to exclude this possibility. As to the location of a liaison center and eventually a headquarters, the U.K. strongly recommended Singapore. To support this view Sir Robert mentioned that Singapore was extremely central to the Treaty area, that it had highly developed facilities for meetings and finally, that Malaya was the last area in Southeast Asia where open insurrection was still occurring and where Communists were still being killed. Mr. Blakeney also supported Singapore as the site for an eventual permanent headquarters of the Council. Ambassador Ali stated that the location of a permanent headquarters was so important that it should be left to the Ministers for decision. Mr. MacArthur agreed this might be necessary but stated that nonetheless it would be useful for the Working Group to discuss this question.

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[3] Possibly that attached to MacArthur's memorandum to the Secretary dated Nov. 30, p. 1000.

Council Secretariat—Mr. Blakeney commented that while his Government found the U.S. organizational suggestions broadly acceptable as a first step Australia believed it might be necessary to have a small permanent secretariat. Mr. MacArthur replied that the U.S. was opposed to the establishment of machinery for the sake of machinery and would object to an international secretariat with a common budget and similar difficulties. However, he believed the U.S. would have an open mind on a small secretariat in the designated liaison center to which the member governments would contribute services.

At the conclusion of the discussion the U.S. promised to circulate a redraft of the paper on Council procedures prior to the next meeting. The U.K. tabled a working paper on an agenda for the first Ministerial meeting[4] and the Working Group was then adjourned until Friday, December 10, 2:30 p.m., Room 5106, New State.[5]

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[4] Not printed. (790.5/12-654)

[5] A portion of the unsigned notes of the Secretary's staff meeting the morning of Dec. 7 follows:

"Mr. MacArthur said that the members of the Manila Pact Working Group had agreed yesterday to recommend to their governments that there be a meeting of the Manila Pact Foreign Ministers in Bangkok on February 14. It is hoped that the replies can be in by Friday, December 10, in order to issue a press release by Monday, December 13. Mr. MacArthur said that the Working Group had also considered an organizational paper and a military paper and that there was considerable pressure for some sort of small military secretariat. In response to the Secretary's question, Mr. MacArthur said that the anti-subversion paper was not quite ready yet for consideration by the full Working Group." (Secretary's Staff Meetings, lot 63 D 75, SM N-286)

790.5/12-654: Circular telegram

The Secretary of State to Certain Diplomatic Offices[1]

SECRET WASHINGTON, December 6, 1954—5:28 p.m.

288. Quoted below US informal working paper on military advisers to Manila Pact Council given Manila Pact Reps Washington today for discussion working group:[2]

Begin verbatim text.

Military Advisers to the Council:

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[1] Sent to all the Embassies in the capitals of the Manila Pact powers and sent by pouch to Ottawa, Phnom Penh, Rangoon, Vientiane, and Saigon.

[2] See the minutes, *supra*.

1. Each member of the Council should be assisted by a Military Adviser. (At Chief of Staff or Theatre Commander level.)

2. The Military Advisers should:

a. be prepared to attend meetings of the Council.

b. meet periodically as required after consultations among the member governments.

c. formulate their own rules of procedure and any necessary organizational arrangements.

d. designate, as necessary, planning assistants to meet as required to work on agreed projects.

3. The activities of the Military Advisers might include:

a. Advising the Council on problems of military cooperation that may arise in connection with the implementation of the Treaty.

b. Review of the military situation in the area (essentially an intelligence estimate to be used in planning procedures).

c. Development of a strategic estimate on Southeast Asia.

d. Determination of possible courses of action to meet the current Communist threat in Southeast Asia and in the event of further Communist aggression in the area short of a general emergency.

e. Exchange of planning information.

f. Exploration of ways and means of increasing the mutual effectiveness of the defensive effort of the member countries in the Treaty area.

g. Consideration of measures to be taken in each country to increase the security of classified information with a view to augmenting the effectiveness of an exchange of intelligence data. *End verbatim text.*

DULLES

790.5/12-754

United States Minutes of a United States-United Kingdom Meeting [1]

SECRET [WASHINGTON,] December 7, 1954—3 p. m.

Participants:

United States	*United Kingdom*
C—Mr. MacArthur	Sir Robert Scott
FE—Mr. Sebald	Mr. Michael Joy
PSA—Mr. Bell	Mr. L. H. Mitchell
CIA—Mr. Richard Bissell	
CIA—Mr. Frank Wisner	

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[1] Drafted on Dec. 10 by Bell.

L. H. Mitchell was First Secretary of Embassy in Washington.

Copies of the U.S. draft informal working paper [2] concerning activities that might be undertaken under the Manila Pact to combat Communist subversion were distributed to the representatives of the United Kingdom. Mr. MacArthur said that the paper indicated some of the things that might be considered within the framework of eight-power cooperation. After reading the paper, Sir Robert Scott stated he would like to begin with a note of caution—he wanted to be sure that anything undertaken with respect to this paper would not disturb some existing arrangements which he viewed as entirely satisfactory. He also pointed out that in the first sentence of the U.S. paper, reference was made to the danger of internal subversion and suggested that subversion directed from without was as great a menace. Mr. MacArthur agreed that it would be desirable to eliminate the word "internal" before subversion.

Sir Robert Scott then referred to the difficulty of sharply separating open and secret information and propaganda activities. He reviewed in a general way some of the activities that the British undertake in this respect such as regular overt information activities, providing "classified" documents to officials of other governments and completely concealed activities such as covert support of a newspaper or printing press. He also made reference to the jungle training school maintained in Malaya. He inquired of Mr. MacArthur if papers agreed upon by the Working Group were to go to the Foreign Ministers as an agreed position.

Mr. MacArthur said that they were. Sir Robert Scott raised the question of the possibility of an agreed assessment of the situation in the area on the basis of intelligence information. Mr. MacArthur stated that we were extremely sceptical of the utility of trying to reach such an agreed assessment.

Sir Robert Scott then inquired as to whether the meeting of Ministers would be followed after an appropriate interval by a meeting of people who are specialists on matters of subversion. Mr. MacArthur stated that he believed we would have no objection to such meetings, but that we had in mind the possibility of continual liaison between Embassy staff members at whatever place had been designated to carry on such activity. He said we envisaged an increase in the size of our Embassy Staff in the place that might be selected for this activity, but that we opposed too elaborate an organization. Mr. MacArthur said that eventually we might find it necessary to agree to periodic meetings on an *Ad Hoc* basis or to some kind of a permanent organization. Mr. Joy reiterated the previous statement made by Sir Robert Scott that nothing should be permitted to upset the "present happy arrangements".

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[2] See MacArthur's memorandum to the Secretary, Dec. 3, p. 1022.

Mr. Bissell pointed out that one of the problems which would unquestionably arise is the fact that some of the states signatory to the Manila Pact do not have adequate security service. Sir Robert Scott suggested that the development of such services might well be a subject of discussion as a possible multi-lateral project. Mr. Bissell agreed that this was a possibility.

Sir Robert Scott said that there were three particular subjects that might be given consideration in discussing the current situation: (1) Indochina; (2) other areas particularly Burma and Indonesia; (3) Overseas Chinese communities. It was agreed that the question of Overseas Chinese communities was altogether too delicate for discussion by all eight powers. Mr. MacArthur suggested that it might be desirable to seek common agreement that the situation in the Associated States was difficult and serious and that each state a party to the Manila Pact should do everything possible to help the Indochina States maintain their independence. One instance of this would be Philippine recognition. Mr. MacArthur said that we do not at this time favor a common program but feel that each party to the Treaty should act independently. He pointed out that Australia and New Zealand are prepared to make a contribution.

Sir Robert Scott stated that each state must be made cognizant of the necessity of improving their own security forces and that it was also desirable for each state to emphasize the necessity for promoting stable and efficient governments in the area. Mr. Sebald thought that the discussion of the paper under consideration would, in itself, point up the necessity for improving security forces.

With respect to arrangements for carrying out the purposes of antisubversive clauses of the Manila Pact, Mr. MacArthur said that we oppose the establishment of any group to be in permanent session which he felt would tend to dilute the impact of our recommendations. He favored periodic meetings on a high level as well as a liaison group which the British describe as something of a "Post Office"—a central clearing point for the exchange of information. Sir Robert Scott suggested that representatives of the security services of the parties to the Pact might meet some six months after the meeting of Foreign Ministers. Mr. MacArthur felt that was much too long a time and that any meeting should be held within two or three months of the meeting of Foreign Ministers.

Mr. Bissell questioned the desirability of too wide a separation between specialists in the field and political policy makers. He pointed to the need to develop a real will to improve and make full use of security services in the area. He suggested the need of political pressure to assure the full use of security organizations. Mr. MacArthur agreed that political and diplomatic pressure might be needed in this respect.

Mr. MacArthur questioned the desirability of having the question of security measures to be taken in Indochina as a part of the agenda and thought that each of the parties should only agree to take such measures as they were able to individually.

Sir Robert Scott suggested that cooperation in some fields such as the Police Training School in Malaya, might make it possible at a later date to bring in non-signatories to the Manila Pact—that they might agree to participate and cooperate without making any specific commitment. He recognized, however, that the first task should be within the Treaty area and that probably the principal problem, apart from the Associated States, would be Thailand. He suggested that the Thai Government badly needed to broaden the basis of its popular support.

Sir Robert Scott said that he would consult with London and notify us when we could meet again. In answer to a question, Mr. MacArthur said that we had some thoughts of tabling this paper for the Working Group week after next (week beginning December 20).

Mr. Wisner stated that he was perturbed by the suggestion that the absence of any formal organization would be compensated for by a meeting of the directors of the security services or their representatives. He said that he felt his agency would have great difficulty in agreeing to any such meeting which would be subject to considerable publicity. He felt that if meetings of this nature could be held less openly, possibly secretly, in conjunction with other meetings, he might be able to agree to such a proposal. Mr. MacArthur suggested that such meetings might be held covertly in the same locus as any liaison group which may be set up.

Sir Robert Scott said that he hoped that he would be able to provide us with additional comments and British views within a week.

S/S-NSC files, lot 63 D 351, NSC 5429/4

Note to the National Security Council by the Acting Executive Secretary (Gleason)

[Extracts]

TOP SECRET
NSC 5429/4

[WASHINGTON,] December 10, 1954.

CURRENT U.S. POLICY TOWARD THE FAR EAST

. . . .

The NSC Planning Board has prepared, pursuant to NSC Action No. 1275–b–(12),[1] the proposed statement of policy in the enclosed paragraphs marked by a double asterisk, for consideration by the Council at its meeting on December 21.

. . . .

S. EVERETT GLEASON

[Enclosure]

DRAFT

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON CURRENT U.S. POLICY IN THE FAR EAST

*Indicates paragraph of NSC 5429/3 revised by the Council, December 1, 1954 (NSC Action No. 1275).
**Indicates paragraph of NSC 5429/3 revision of which is recommended by the Planning Board.[2]

. . . .

COURSES OF ACTION

5. In order to preserve the territorial and political integrity of the area, the United States should:

. . . .

**c. Ratify the Mutual Defense Treaty with the Republic of China covering Formosa and the Pescadores, and jointly agree upon safeguards against Chinese Nationalist offensive action. Pending the ratification of such a Treaty, continue the existing unilateral arrangement to defend Formosa and the Pescadores (excluding the Nationalist-held off-shore islands). For the present, seek to preserve, through United Nations action, the *status quo* of the Nationalist-held off-shore islands; and, without committing U.S. forces except as militarily desirable in the event of Chinese Communist attack on Formosa and the Pescadores, provide to the Chinese Nationalist forces military equipment and training to assist them to defend such off-shore islands, using Formosa as a base. However, refrain from assisting or encouraging offensive actions against Communist China or seaborne commerce with Communist China, and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.

. . . .

**e. Employ all feasible covert means, all feasible overt means including, in accordance with constitutional processes, the use of armed force if necessary and appropriate, to prevent Indonesia or vital parts thereof from falling under Communist control by overt armed attack, subversion, economic domination, or other means.

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[1] See footnote 7, p. 1013.

[2] All the subparagraphs marked with a double asterisk are printed here.

. . . .

**g. (1) Issue a directive to its armed forces that, in the event of unprovoked Communist armed attack against U.S. military or non-military personnel, aircraft, or vessels outside Communist territory, U.S. forces in the area will take against the Communist attacking force immediate and aggressive protective measures, including, if feasible and desirable, pursuit † of the Communist attacking force into hostile airspace or waters.

(2) In addition to the action directed in (1) above, and as specifically approved by the President, take such additional retaliatory action as may be necessary and appropriate.

. . . .

*7. In order to weaken or retard the growth of the power and influence of the Asian Communist regimes, especially Communist China, the United States should:

. . . .

Majority Proposal

**c. (1) For the immediate future and pending completion of and U.S. action on the study referred to in (2) below, maintain the current U.S. export, import and financial controls on trade with Communist China, and strongly urge other free world countries to maintain their current controls on trade with Communist China and to refrain from such actions as sending trade missions to Communist China.

(2) An appropriate agency or agencies should study on an urgent basis, all aspects of U.S. economic defense policy applicable to trade with the Communist bloc (including Communist China), taking into account in such study, among other things, the matters set forth in Annex B,[3] and should submit to the National Security Council at the earliest practicable date comprehensive and detailed recommendations for such revisions in such policy as may be required by national security interests, both long and short range. [Any future change in U.S. over-all economic defense policy should be premised on the concept that it is part of an over-all negotiating position which seeks to obtain an appropriate *quid pro quo* from any friendly, neutral, or communist country profiting from any such change.] ‡

(3) At a time determined by the Secretary of State, if feasible after the study referred to in (2) above is completed, begin consultations, particularly with the U.K. and France, looking toward agreement with the other cooperating industrialized countries of the free world on the extent, nature, and method of controls on trade with Communist China.

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† The State Member understood that such pursuit was to be undertaken only on the specific order of the senior commander in the area. [Footnote in the source text.]

[3] Annex B, prepared by the NSC Planning Board Assistants, was transmitted to the NSC by Lay under cover of a memorandum dated Dec. 15, 1954, neither printed. Annex B to NSC 5429/4 is identical to Annex B to NSC 5429/5, p. 1068.

‡ Proposed by the Commerce and ODM representatives. [Footnote and brackets in the source text.]

State Proposal

**c. (1) Maintain the current level of United States export, import, and financial controls on trade with Communist China and administer these controls in such manner as to minimize friction with other Free World countries which might tend to lessen their active cooperation in the multilateral control program.

(2) Urge other Free World countries to maintain the current level of export controls on trade with Communist China. In aid of this effort, the U.S. should be prepared to exercise a greater degree of flexibility in handling problems of minor exceptions to the multilateral embargo.

(3) Whenever it may be determined by the Secretary of State that further effort to maintain the current multilaterally agreed level of export controls would be seriously divisive among our allies or lead nations needing trade with Communist China toward an accommodation with the Soviet bloc, the Secretary should report this determination to the Council together with his recommendations, including guiding principles for any negotiation relating to revision of the multilaterally agreed controls.

*/**d. Utilize all feasible overt and covert means, consistent with a policy of not being provocative of war, (*) to create discontent and internal divisions within each of the Communist-dominated areas of the Far East, and to impair their relations with the Soviet Union and with each other, particularly by stimulating Sino-Soviet estrangement, (*) but refrain from assisting or encouraging offensive actions against Communist China or seaborne commerce with Communist China, (**) and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.

. . . .

Conference files, lot 60 D 627, CF 432

United States Minutes of Meeting of the Manila Pact Working Group[1]

CONFIDENTIAL [WASHINGTON,] December 10, 1954—2:30 p. m.

Participants *US*
C—Mr. MacArthur
FE—Mr. Sebald
Defense—Mr. Sullivan
BNA—Mr. Horsey
SOA—Mr. Thacher
C—Mr. Galloway
PSA—Mr. Bell
Australia—Mr. F. J. Blakeney

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[1] Drafted on Dec. 13 by Gleysteen, who is not listed among the participants at the meeting.

France—M. Pierre Millet
New Zealand—Mr. G.R. Laking
Pakistan—Amb. Syed Amjad Ali
Philippines—Minister S. P. Lopez
Thailand—Minister Devakul
United Kingdom—Sir Robert Scott

[Here follows discussion of procedural matters, during which February 23, 1955 emerged as the tentative date of the proposed meeting of Foreign Ministers.]

Continued Discussion of Council Procedures and Organization

The meeting turned to discussion of the revised paper on Council procedures and organization, MP(IWG)D–1a, [2] together with an additional U.S. paragraph [2] providing for a small contributed secretariat.

Secretariat—All representatives appeared to approve the concept of a small contributed secretariat (noninternational budget, noninternational personnel, etc.), which would assist the liaison representatives in their functions. Mr. MacArthur explained the U.S. view that the secretariat would be a service organization for the liaison representatives and its actual activities would depend on the needs of the liaison representatives.

Decisions by Council—It was pointed out that it had been made clear at Manila that the treaty would not be a supernational organization and that no power could be bound by any decision it opposed. All decisions reached under the Manila Treaty would only be Treaty decisions in case of a unanimous vote of all the members.

Location of Council Meetings—Mr. Blakeney said Australia did not wish to have any permanent location for Council meetings in spite of a possible permanent headquarters for the Council. This Australian view conflicted with that of the U.K., which did not want to exclude the possibility of a permanent location for Council meetings.

Role of Liaison Representatives—The Philippine representative suggested amending the paper so that the liaison representatives would not be restricted to "exchanging information". The U.S. pointed out that this wording had not been intended to restrict the liaison activities of the representatives and following a considerable discussion the U.S. promised to produce further rewording on the point.

Date of Next Working Group Meeting—The meeting was adjourned without discussion of the Military Advisor's paper until Friday, December 17, at 2:30 P.M., Room 5106 New State.

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[2] Not found in Department of State files.

Editorial Note

During a legislative leadership meeting on December 13, pending treaties were discussed. "Secretary Dulles asked for priority attention to the three treaties that Congress would have to act on—the Manila and Paris agreements already submitted, and a Formosa treaty to be submitted when the Senate convenes. He hoped the Manila treaty especially could be done quickly for things were not going as well as possible in the Southwest Pacific and our ratification of the treaty would serve to speed up formation of the various working groups we had been urging. It ought to be approved prior to the February meeting of Foreign Ministers at Bangkok, he felt. Senator Knowland thought this could be done. Dulles believed Senate action on the Paris accords need not be rushed until after some of the other nations had ratified." (Memorandum by L. A. Minnich, Jr., Assistant to the White House Office; Eisenhower Library, White House Office, Staff Secretary's records, 1952-1961) For documentation concerning the Protocol to the North Atlantic Treaty on the accession of the Federal Republic of Germany, signed at Paris on October 23, 1954, see volume V, Part 2, pages 1404 ff. For documentation on the Mutual Defense Treaty between the United States and the Republic of China, signed at Washington on December 2, 1954, see volume XIV.

U/MSA files, lot 56 D 551

Memorandum by Frederick E. Nolting, Jr., Special Assistant to the Secretary for Mutual Security Affairs, to the Under Secretary of State (Hoover)

SECRET [WASHINGTON,] December 15, 1954.

Subject: Suggested Position on Economic Assistance for Asia.

I know you share the view that it is highly important for the State Department to formulate a position in this matter. Other departments, notably Treasury and FOA, have firm positions. Regardless of whether the final decision rests with the *Ad Hoc* Committee and the NSC or whether the matter will be referred to Mr. Dodge for his study, [1] the State Department should have a clear position if it is to participate in an effective and constructive manner in the process of formulating an Executive Branch position. The longer the matter drifts, without State Department leadership, the greater the risks of further premature publicity and consequent political damage to the program at home and abroad.

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[1] On Dec. 11, the White House made public the appointment of Joseph M. Dodge, Jr., as Chairman of the Council on Foreign Economic Policy, with a mandate to recommend improvements in the Executive branch for the development and coordination of foreign economic policy. For President Eisenhower's letter to Dodge released on Dec. 11, see Department of State *Bulletin*, Dec. 27, 1954, p. 987.

I am fully aware of the difficulties of formulating a State Department position. I have read all of the papers that have been produced on this subject and have attended many meetings on it. There are differing views within the Department. Personally, I see merit in many of these views and I respect those who hold them. Without pretending to have found the exact formula, I feel that there are certain points on which agreement can be reached which would give us a substantially sound position.

These basic points are as follows:

1. The concept of the area should extend from India and Pakistan on the west to Japan on the east, *and should include Korea, Formosa, and Indo-China.* Although Korea, Formosa, and Indo-China are countries in which the United States, because of unusual security considerations, is more heavily committed than elsewhere in the area and towards which we will wish to continue special bilateral measures, we should include them in the computation of dollar amounts required in the area, and we should seek, in our planning and execution of programs, to encourage the regional relationships of those countries.

2. *While a more aggressive attack upon the economic ills of these countries will not in and of itself be the answer to the Communist challenge to the free world position in the area, it is an essential weapon in the "cold war".* From the reports I have read and from the people I have talked to, I cannot escape the conclusion that the Communist agents working in these countries are making headway by pointing to the generally impoverished lot of the people and by holding out specious promises of economic improvement under a Communist regime. This challenge must be met and this means of exploitation and subversion denied to the Communists. Our efforts should be directed both toward exposing the Communist lie and toward demonstrating that economic improvement can be attained under free institutions. There are many things other than economic assistance which we should be doing better and more aggressively to complement our efforts in the assistance field—for example, a more effective educational program, including especially an enlarged exchange-of-leaders program, and improved anti-subversive measures.

3. *In the economic field, there are basically two types of activities which we are carrying on.* One is Technical Assistance and the other is Development Assistance—i.e., the financing of activities designed to bring about greater productivity, better exchange of goods, etc. Programs of these two kinds have been conceived and put into effect mainly on a single-country basis, without much thought to their regional significance.

In the Technical Assistance fields, it is generally agreed that a great deal more could be usefully accomplished. The limiting factor of our Technical Cooperation Programs world-wide is the definite limit of capable U.S. technicians who are devoted enough to make the sacrifices inherent in such work. This matter has been given intensive thought and effort by FOA, but with only small success in recruiting additional capable personnel. There may be untapped sources of supply and recruitment techniques as yet undeveloped which will help break this bottleneck. In any event, it seems clear that if we could accelerate and intensify our Technical Assistance Programs in these threatened areas, it would be to the advantage of the United States to do so. This could be accomplished at a relatively low cost to the United States.

In the development field, the limiting factor seems to be the "absorptive capacity" of the economies of most of these countries. As you know, these countries themselves have failed to come up with anything like a comprehensive and sound development program from which a screened list of development projects could be made which would warrant U.S. support. Where such plans do exist, as in India and to a lesser extent in Pakistan, these plans have been developed largely on a nationalistic basis and without particular regard for regional contribution. However, where national development programs exist, our own ability to make a useful contribution is more evident. Given the present facts—i.e., the countries' lack of sound development blueprints and our own nebulous ideas of concrete undertakings—it stands to reason that the U.S. investment in these fields should not be greatly increased until we have a better idea of just what undertakings we wish to back. Nevertheless, for the reasons which follow, I think that a moderate increase of U.S. assistance in the development field could and should be planned.

4. *It is generally agreed that in the U.S. interest, we should undertake a more effective economic development program in this area.* This could, of course, mean simply that we do more effective work within the present rates of expenditure, or at less cost. While improvements in the planning and conduct of our assistance programs are possible and desirable, I think it is unrealistic to suppose that, within present rates of expenditure, we can bring about through more efficient operations a degree of improvements which would result in a significant gain in the attainment of development objectives. I do not believe that our present programs and operations can be so greatly improved as to yield the results we seek at the present rates of expenditure. If it is in the U.S. interest to strive for an appreciable betterment of economic conditions in these countries, I think we must face up to the fact that this will entail not only *qualitative* improvement in our programs, but also a *quantitative* increase in U.S. funds.

As you know, the President has approved a world-wide figure of $2.13 billion for non-military assistance in FY 1956 (the military assistance budget figure is $1.4 billion). This amount becomes a part of the President's FY 1956 Budget as a one-line estimate for proposed legislation to be presented to the Congress. This fact more or less freezes, for practical purposes, the top limit of assistance. However, this amount of $2.13 billion is high enough to permit an increase in the amount of development assistance for this area over fiscal year 1955 or any previous year, if it is concluded that we should do so.

5. *Implicit in the above is the thought that we should avoid any further public utterances on the subject of the extent of our aid to the area.* In particular, the use of such adjectives as "massive" (or "moderate"), and the use of such descriptive phrases as "Marshall Plan for Asia" should be rigorously avoided. I think an NSC decision and ruling on this particular point is required. Without it, I fear that any good effect to be expected from an increase in U.S. assistance will be nullified by the disappointed hopes of the people of the countries concerned.

There are several other factors which have complicated a decision in this matter. Comment has been made on the fact that, in the so-called Baldwin group paper, [2] a large majority of the aid projected over the next three years was earmarked for India. There have been views expressed that this is not only unsound policy in view of India's less-than-helpful attitude in international bodies, but also totally unrealistic vis-à-vis Congress. In this connection, I think it necessary to point out that the Congress, admittedly after considerable debate, has been willing consistently to vote large appropriations for India despite her international attitude. A cut is made regularly each year in the amount appropriated for India, but generally speaking the Congressional committees have felt—as certainly I do—that it is in our overall interest to see that the Indian Five-Year Plan succeeds, since the alternative to such success is judged to be disastrous to U.S. security interests. As you know, the Secretary has agreed to a significantly increased program for India for fiscal year 1956.

Finally, it seems now to be the majority view in the Department that (a) the Colombo Plan grouping represents the most promising approach to a regional attack on the economic problems of the area; (b) that the time is not yet ripe for a U.S. "underwriting" of the Colombo Plan in the sense of a contribution toward the establishment of a regional bank or a regional payments union. I am not satisfied in my own mind that the abandonment of the idea of a regional bank is wise. However, it may be premature to undertake the promotion of a regional lending institution at this stage. At the least, however, we should try to develop a closer association with the Consultative Committee of the Colombo Plan to the end that our bilateral programs with the countries in the area can be geared into any emerging regional schemes, including plans for the expansion of Japanese trade in the area, which the Consultative Committee may develop. We should encourage the cohesion and growth of this forum for the exchange of economic ideas and plans for the gradual development of regional activities.

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[2] Baldwin was Chairman of the Working Group which had produced the report summarized in Murphy's undated memorandum, p. 1019.

Recommendation

I recommend that you consider a position which would (1) advocate a moderate increase within the limits of proposed FY 1956 budget figures, and as much of an increase qualitatively as possible, in U.S. bilateral assistance programs for these countries in FY 1956; (2) stress principally the Technical Assistance Programs, supplemented by such economic development aid as can be wisely planned and effectively absorbed by the countries; and (3) call for these programs to be undertaken as unobtrusively as possible.

790.5/12-1554

United States Minutes of a United States-United Kingdom Meeting [1]

SECRET [WASHINGTON,] December 15, 1954—3 p. m.

Participants:

United States	*United Kingdom*
FE—Mr. Sebald	Sir Robert Scott
C—Mr. Galloway	Mr. Michael Joy
PSA—Mr. Bell	Mr. L. H. Mitchell
CIA—Mr. Wisner	
Defense—Mr. Sullivan	

Sir Robert Scott stated that he found a surprisingly large area of agreement in the U.S. draft paper submitted at the meeting of December 7 on activities that might be undertaken under the Manila Pact to combat Communist subversion.

Sir Robert Scott handed Mr. Sebald a copy of a British comment, (attached) that *inter alia*, suggested the first four proposals under Article III of the U.S. paper [2] might best be considered by a committee of security experts while the second four, being mainly political, should be examined and discussed by the Ministers or their political advisers. Mr. Wisner stated that he believed the first four points should be considered by the Ministers and possibly referred by them to technical experts. It was agreed that the eight-power working group should make specific recommendations to the Ministers either in an additional paragraph to the U.S. proposed draft or in a covering memo.

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[1] Minutes drafted by Bell.

[2] See MacArthur's memorandum to the Secretary, Dec. 3, p. 1022.

Sir Robert Scott mentioned the leak of information on the proposed meeting in Bangkok by the Philippine Government and said that while this in itself was not too serious a matter, he believed that any leak of the proposals with respect to combating subversion would be a serious matter. Under these circumstances he recommended that the chairman should, at the time this paper is tabled, place special emphasis on the need for utmost security consciousness. Mr. Sebald stated we were fully aware of the dangers involved and, in fact, the paper had been prepared with the danger of its becoming public in mind.

Sir Robert Scott suggested that the Australians might be informed of our proposals on security prior to discussion by the working group. Mr. Sebald stated that we had informed the Australians we would discuss our views on this subject with them prior to tabling at the eight-power working group. It was agreed that we would date our revised draft December 15 [3] and tell the Australians of our conversation today with the British. Mr. Mitchell asked that we inform them when we spoke to the Australians. [4]

There followed some discussion as to precisely what was meant by the British suggestion of a committee representing national security intelligence organizations. Sir Robert stated that in the British view, one of the primary tasks would be the development of adequate security organizations in those states where they do not presently exist. Mr. Galloway suggested that the British might have in mind something similar to the NATO special committee and Sir Robert Scott said that that was true.

The British do not see the necessity or the utility of a high level permanent committee meeting continuously, but rather contemplate a group that might meet periodically. Inasmuch as the British views were not too specific, Sir Robert said he would make inquiries of his government for more details on this subject. Mr. Sullivan questioned whether there really would be enough work to keep a high level group busy on a continuing basis. Mr. Joy questioned whether a permanent committee would be workable and suggested that a series of periodic meetings would be preferable. Mr. Wisner said that we would have trouble agreeing on any kind of a permanent organization. Mr. Galloway suggested that when this matter is discussed in the working group, we delay any discussion on the formation of a committee to avoid pressure seeking the establishment of some kind of security or intelligence committee as a part of a permanent organization.

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[3] Not found in Department of State files.

[4] In telegram 2221 to Paris, Dec. 15, marked "For MacArthur from Sebald", drafted by Galloway, this portion of the meeting is described as follows: "We told them we planned discuss question with Australians and New Zealanders before introducing paper into working group some time after your return next week. British welcomed this idea and promised not to let Australians and New Zealanders know about early US-UK discussion this question." (790.5/12-1554) MacArthur had accompanied Dulles to the NAC meetings in Paris.

Mr. Sebald stated that we would not bring this matter up before the working group until Mr. MacArthur returns.

Immediately after the meeting, it was decided to meet with representatives of Australia and New Zealand on the morning of December 16.

[Attachment]

Paper Received From the British Embassy

SECRET [WASHINGTON,] undated.

MANILA TREATY ARTICLE 2

Subversion is a greater threat in South East Asia than open aggression. An important function of the Manila Treaty should be to discuss the efforts of member states against this threat.

We do not want to disturb existing bi-lateral security liaison arrangements which both we and the Americans have with some of the other members of the Treaty. Increased Anglo-American cooperation with the association of the Australians would be very helpful.

However, these existing arrangements even if improved should be supplemented by measures within the Manila Treaty framework. There should be a Committee representing national security intelligence organizations to foster a sense of solidarity and stimulate, especially amongst the Asian members, the feeling that they are taking part in a collective effort. There are some questions of common concern in the Treaty areas which could be discussed profitably in such a forum. The Committee would not disturb existing bi-lateral arrangements.

The informal Working Paper prepared by the State Department is therefore very close to our own ideas. All the forms of mutual assistance listed in the third paragraph of the American paper could usefully be discussed by Treaty members under Article 2. We do not however think it would be appropriate to discuss them all in the same forum. The first four are mainly technical and could best be discussed by the Committee of security experts. The second four are mainly political and could be examined and discussed by Ministers or their political advisers.

396.1 MA/12-1654

Memorandum of Conversation, by the Officer in Charge of Philippine Affairs (Bell)

SECRET [WASHINGTON,] December 16, 1954.

Subject: U.S. Working Paper on Implementation of Article II Manila Treaty Regarding Subversion

Participants: Mr. Sebald, FE
Mr. Young, PSA
Mr. Bell, PSA
Mr. F.J. Blakeney, Australian Embassy
Mr. G.R. Laking, New Zealand Embassy

Mr. Blakeney and Mr. Laking called on Mr. Sebald at his request this morning at 10:30. Mr. Sebald stated we had asked them to come in to hand them a paper[1] that we proposed to introduce into the working group of the Manila Pact powers dealing with possible implementation of Article II of the Treaty concerning subversion. Mr. Sebald stated we had discussed this paper with the British yesterday and that they were in general agreement with the concepts expressed therein.

Mr. Sebald further stated we were fully aware of the desirability of maintaining certain existing bi-lateral arrangements that should not be disturbed. He also stated that when this paper is tabled in the working group we will stress the necessity for keeping its contents closely held. In answer to a question Mr. Sebald said that we had not yet decided when the paper will be introduced into the eight-power working group, but that it probably would not be before January. Mr. Blakeney felt that the later the paper was introduced the better.

After reading the paper Mr. Laking and Mr. Blakeney stated they were in general agreement especially with the last sentence of the first paragraph which states that resistance to subversion is primarily the responsibility of each national government. Mr. Blakeney asked how we visualized the discussion among the members referred to at the top of page 2.[2] Mr. Sebald said that our thinking along this line had not progressed very far but what we might be able to carry out this suggestion through the liaison representatives which we believe will be established at some location in the area or by other experts who might be assigned as advisers to the liaison officers. Mr. Sebald said that we felt one of the most important contributions that could be made during any such discussions would be to teach the necessity of good security organization, to demonstrate the scope of the problem and to instill the will to meet it.

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[1] See MacArthur's memorandum to the Secretary, Dec. 3, p. 1022.

[2] See the paragraph beginning "It is clear, however . . ." in the attachment, p. 1024.

With respect to the paper as a whole, Mr. Sebald stated that when cleared by the working group, he thought the paper should be referred to the Ministers with an appropriate recommendation that they accept it as a basis for action.

Mr. Blakeney stated that he found nothing in the paper which referred to the security of information. Mr. Sebald stated that we visualized that as being within the province of the military and that it would be included in our recommendations with respect to the military advisers. He cited NATO experience of the military in this field.

Mr. Blakeney said that he was very happy to see that we had produced such a paper and that he would forward it to his government. Mr. Laking said that he would also forward the paper to his government for comment.

Conference files, lot 60 D 627, CF 432

United States Minutes of Meeting of the Manila Pact Working Group [1]

CONFIDENTIAL [WASHINGTON,] December 16, 1954—2:30 p. m.

Participants: *US*
FE—Mr. Sebald
Defense—Mr. Sullivan
C—Mr. Galloway
BNA—Mr. Horsey
PSA—Mr. Bell
SOA—Mr. Thacher
Australia—Sir Percy Spender; Mr. F. J. Blakeney
France—M. Pierre Millet
New Zealand—Mr. G. R. Laking
Pakistan—Amb. Syed Amjad Ali
Philippines—Minister S. P. Lopez
Thailand—Amb. Sarasin
United Kingdom—Sir Robert Scott

[Here follows discussion of several procedural matters, during which February 23, 1955 was confirmed as the date of the next meeting of Foreign Ministers.]

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[1] Drafted on Dec. 20 by Gleysteen who is not listed among the participants.

Discussion of Council Procedures Paper

At Mr. Sebald's request Mr. Galloway explained the changes reflected in the new draft paper on Council procedures (MP(IWG)D-1b).[2] During the discussion of this paper considerable disagreement was expressed on the role of the liaison secretariat. Messrs. Sebald and Galloway explained that the U.S. envisaged a small contributed secretariat with no independent authority to provide primarily clerical services for the liaison representatives. The Philippine and Pakistan representatives stated that their Governments had reservations about the specific wording concerning a secretariat in (MP(IWG)D-1b). Sir Percy Spender commented that the paper's wording was sufficiently flexible and that a modest secretariat was all that could be expected at the beginning. However, he said if progress were to be made under the Manila Pact the secretariat would have to become an increasingly effective coordinating center. Several other representatives supported this view stressing that ultimately the secretariat should be able to collate information, undertake studies and even initiate projects. Mr. Sebald replied that the Working Group members were neglecting the liaison representatives who would provide a flexible coordinating center. However, he believed it pointless to argue in advance about the role of the secretariat and pointed out that draft wording on this matter left a great deal of flexibility. Most representatives agreed and at the conclusion of this discussion the Working Group tentatively adopted MP(IWG)D-1b with the proviso that all papers would be finally reviewed and coordinated before being recommended to the Ministers.

Discussion of Military Advisers Paper

In response to a series of questions on the Military Advisers Paper, MP(IWG)D-2,[3] Mr. Sullivan explained the U.S.: 1) assumed that the Military Advisers would be high level officers reporting to high level military authorities (for the U.S. it would be Admiral Stump[4] reporting to the Joint Chiefs of Staff); 2) believed the Military Advisers could meet anywhere in treaty area; 3) assumed that military liaison representatives would meet in the same treaty area capitals as the Council liaison representatives; and 4) agreed that specific terms of reference worked out by the Military Advisers would be referred back for approval by the Manila Council. Mr.

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[2] Not found in Department of State files.

[3] Not found as designated in Department of State files. The editors are unable to determine with certainty that MP(IWG)D-2 is identical to the verbatim text contained in circular telegram 288, Dec. 6, p. 1031. They note, however, that "D-2" would normally denote an initial paper, not a revision.

[4] Adm. Felix B. Stump, Commander in Chief, Pacific, and U.S. Pacific Fleet.

Sullivan made the latter point in reply to Sir Robert's statement that the U.K. accepted the U.S. draft on the assumption the Ministers would reconsider any problems encountered by the Military Advisers in working out their specific procedures and functions.

M. Millet said that France without raising objection to paragraph 3 of the paper questioned the advisability of the Working Groups trying to set out explicit functions of the Military Advisers without Ministerial agreement on the general orientation of the Manila treaty. Sir Percy and others agreed that the Ministers would have to make final decisions on the functions of the Military Advisers but stated that the Working Group had been constituted to explore such issues and to make recommendations which could be accepted, revised or rejected.

Next Working Group Meeting

Mr. Sebald adjourned the Working Group until 2:30 P.M., December 28, Room 5106, New State, at which time he suggested discussion continued on the Military Advisers Paper.

S/S-NSC files, lot 63 D 351, NSC 5429 Series

Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Wilson) [1]

TOP SECRET WASHINGTON, 17 December 1954.

Subject: Current United States Policy in the Far East (NSC 5429/4). [2]

1. The Joint Chiefs of Staff have reviewed the draft statement of policy, titled "Current United States Policy in the Far East" (NSC 5429/4), prepared by the National Security Council Planning Board pursuant to NSC Action No. 1275-b (12). The proposed policy, if adopted, is intended to supersede NSC 5429/2.

2. The following comments are confined to those paragraphs of NSC 5429/4 marked by a double asterisk, inasmuch as the remainder of the proposed policy was agreed to by the Council at their meeting on 1 December 1954:

a. Subparagraphs 5 c, 5 e, 5 g, 7 d, and subparagraph 10 i of Annex "A" are considered to be acceptable from a military point of view.

b. With regard to the footnote to subparagraph 5 g, the Joint Chiefs of Staff consider that, under certain circumstances which might attend an unprovoked attack the security of the United

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[1] Attached to a covering note dated Dec. 20 from Lay to the National Security Council, not printed.

[2] Dated Dec. 10; for extracts, see p. 1035.

States forces involved would dictate that the United States commander on the spot be empowered to initiate pursuit into hostile air space or waters without awaiting the specific approval of the senior commander in the area. They feel, however, that it would be more appropriate for details of this nature to be incorporated in the directive to the armed forces rather than in a broad statement of policy.

c. With respect to subparagraph 7 c, the Joint Chiefs of Staff consider that the policy for control of trade with Communist China should be developed within the context of the over-all United States economic defense policy, as visualized in the majority proposal, except that consultations with other countries should not take place until after the study referred to in subparagraph 7 c (2) has been completed. In their memorandum for you, dated 26 November 1954, subject: "Current U.S. Policy Toward the Far East" [3] (NSC 5429/3), the Joint Chiefs of Staff expressed the opinion that, from the military point of view, maximum restrictions on trade with Communist China would be most desirable. While they recognize that certain political and economic considerations may render infeasible the attainment of an optimum degree of trade control, they consider that the State proposal would permit excessive latitude in the execution of the policy. For the foregoing reasons, the Joint Chiefs of Staff recommend the adoption of the majority proposal, subject to deletion of the words "if feasible" in the second line of subparagraph 7 c (3).

3. The Joint Chiefs of Staff consider that, subject to the foregoing comments, the provisions of NSC 5429/4 are acceptable from the military point of view.

4. The Chairman, Joint Chiefs of Staff did not participate in the action of the Joint Chiefs of Staff outlined in this memorandum.

For the Joint Chiefs of Staff:
N. F. TWINING
Chief of Staff
United States Air Force

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[3] *Ante*, p. 992.

790.5/12–1754: Telegram

The Secretary of State to the Department of State [1]

SECRET PARIS, December 17, 1954—6 p. m.

Secto 12. MacArthur discussed Bangkok meeting of Manila Pact powers with Denis Allen today along lines set forth in Galloway briefing memo of December 11. [2] Allen indicated U.K. thinking corresponded very closely to U.S. thinking. He commented favorably on the three U.S. papers (organization of Council, Article 2—Subversion,[3] and military planning).[4] Re military planning, MacArthur told him frankly U.S. was not disposed to agree in Manila W.G. to establishment of a small military secretariat. In U.S. view the precise organizational arrangements for military planning should be left to the military advisers. Allen said he had discussed this with British Chiefs before coming to Paris and he understood they were disposed to go along with U.S. paper on military planning, including this point re secretariat. Re Singapore as focal point for Manila Pact, he indicated that while U.K. had definite preference for it, they would not insist if there was strong opposition. In conclusion, Allen expressed appreciation for U.S. initiative in tabling "such excellent papers" in W.G. and added that U.S. had obviously given more time and thought to Manila Pact than others, including U.K. He also fully concurred that no specific reference should be made of Indo-China in any agenda item on matters affecting security of area although obviously it would be discussed in such context.

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[1] Regarding the Secretary's trip to Paris, see footnote 1, p. 910.

[2] Not found in Department of State files.

DULLES

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[3] See MacArthur's memorandum to the Secretary (with attachment and annotation) dated Dec. 3, p. 1022.

[4] Possibly the paper transmitted in circular telegram 288, Dec. 6, p. 1031.

Conference files, lot 60 D 627, CF 419: Telegram

The Secretary of State to the Department of State [1]

TOP SECRET
NIACT

PARIS, December 19, 1954.

Secto 23. In Tripartite yesterday at Mendes-France initiative, there was brief discussion re Bangkok meeting of Manila Powers. French had received telegram from Washington indicating Pakistan considered December 28th date for announcement re Bangkok inappropriate since Colombo powers opened a meeting on December 28th. Three ministers agreed Pakistan had raised valid consideration and that date of announcement should be referred back to Washington WG, which should pay particular attention to Pakistan views. Mendes-France said that while he preferred December 28th date, he would accept either 26th, 27th or later date.

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[1] Originated from the U.S. Mission to NATO and European Regional Organizations.

Mendes-France inquired re agenda for Bangkok meeting and MacArthur said WG envisaged following subjects although question of their order not yet decided:

(1) organization and procedures of the Council; (2) arrangements for military planning; (3) implementation Art II Manila Pact re subversion; (4) economic matters; (5) general exchange of views on matters affecting security of the area.

Re arrangements for military planning, Mendes-France suggested that this should be agreed by NATO Standing Group before it was discussed with other Manila signatories. Eden stated arrangements for UK defense of Malaya are dependent on cooperation with Australia and New Zealand, and he did not think it would be possible to use Standing Group for purpose suggested by Mendes-France. MacArthur explained that paper prepared for Bangkok meeting did not involve substantive question re military planning which must be left to the military. The paper would have recommendations on the arrangements for how military planning should be conducted and not, the planning itself, which the military would have to do. Furthermore, he said that within the framework of ANZUS, Australian and New Zealanders bitterly resent using Standing Group for such purpose and our Asian partners would feel just as strongly, since their interest in defense of area was very great in view their geographic position. Also enlarged on their sensitivity re "being ganged up on" by Western Powers. Adm. Radford confirmed this view. The Secretary said that Mendes-France had raised a valid point for consideration in that there might be matters re military planning which were not appropriate for discussion in 8-power Manila Group, but these could be handled separately.

There was general agreement that Washington WG was performing useful service and as much of groundwork as possible should be done in WG in advance of Bangkok meeting.

DULLES

S/S-NSC files, lot 63 D 351, NSC 5429 Series

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State [1]

TOP SECRET [WASHINGTON,] December 20, 1954.

Subject: Briefing on NSC 5429/4.

I have the following comments on 5429/4:

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[1] Drafted by Roberts and Mewshaw.

Paragraph 4e [2]—The term "political and social forces" is so vague as to convey no meaning in terms of concrete programs or action, yet broad enough to provide justification for almost any activity. It would seem that the sum total of courses of action called for by the rest of the paper should produce the result called for by this single section so that inclusion of this section is unnecessary.

Paragraph 5 c—1. In the final sentence of this section, it is considered an undesirable reversal of policy to commit the U.S. Government to restrain the Chinese Nationalists from interference with seaborne commerce with Communist China, and the Department should, therefore, insist that the words "or seaborne commerce with Communist China" be eliminated.

2. The final sentence also makes no provision for self-defense or retaliation in an emergency. A final sentence should be added as follows: "Continue to encourage the Chinese Nationalists forces to take adequate self-defense measures."

Paragraph 7c—What is called here the "majority proposal" was an effort in the Planning Board to express a consensus. Certain portions of it are objectionable to some agencies (for example, c(3) is not agreed). The State proposal allows more flexibility and places the responsibility for determination for a change in foreign policy on the Secretary of State as the President's principal adviser on foreign policy. In order to meet what may be Defense Department fears that the State language will be used to whittle down the sanctions policy, it is suggested that the following changes in the State proposal might be put forward: c(1) following "Communist China and" insert "without derogating from the basic principles of these controls," and change the following words "administer these controls" to "administer them"; c(2) strike the second sentence and replace it with, "In aid of this effort, the U.S. should, without frustrating the multilateral embargo program, handle questions of routine exceptions in such manner as to preserve and foster the willingness of other countries to retain present control."

Paragraph 7d (2) The words "or seaborne commerce with Communist China" should be eliminated from this section.

Paragraph 9 [3]—FE does not believe that the possibility now exists for negotiating with Communist China "acceptable and enforcible agreements" and feels, therefore, that it is misleading to state that we must "keep open" such a possibility. FE recommends therefore, that the words "Communist China" should be deleted from this paragraph.

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[2] This subparagraph reads as follows: "Creation in Asia of political and social forces which will zealously spread the greater values of the Free World and simultaneously expose the falsity of the Communist ideological offensive."

[3] This paragraph reads as follows: "The United States must keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues."

Conference files, lot 60 D 627, CF 358

The Secretary of State to the Prime Minister of Pakistan (Mohammed Ali) [1]

PERSONAL [WASHINGTON,] December 21, 1954.

MY DEAR MR. PRIME MINISTER: I saw a memorandum a few days ago from Ambassador Hildreth [2] indicating that you were somewhat unhappy about the provision in the Manila Pact which provides that the reference in Article 4(1) to the effect that each party recognizes that an armed attack in the treaty area "would endanger its own peace and safety" is defined, as far as the United States is concerned, as applicable to Communist aggression.

The reason for this is, I think, simple and persuasive. The United States itself has no territory within the treaty area, so that an armed attack could not truthfully be said to endanger our peace and safety unless it was a Communist attack. In the latter case, we could say it truthfully because we believe that any Communist aggression is part of a long range program which includes aggression against the United States itself.

In view of the foregoing and the lack of immediate United States territorial interest in the area, I could not ask the Senate of the United States to declare that *any* attack would in fact endanger the peace and security of the United States.

Of course, if an attack were in fact instigated by the Communists that, I think I can assure you, would be judged by the United States to be "Communist aggression".

Even if the attack were not Communist aggression, the United States would by no means be disinterested or inactive. As the United States understanding makes clear, we would, in the event of any such attack, consult immediately with the other parties "in order to agree on the measures which should be taken for the common defense", as contemplated by provisions of Article 4, paragraph 2.

In view of what Ambassador Hildreth said, I thought it might be useful for you to have directly from me this explanation of our position. It will, I hope, satisfy any preoccupations you may have had.

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[1] The source text contains no indication of the manner of transmission of this letter.

[2] Not found in Department of State files.

Ambassador Ali has told us that you are hoping to attend the meeting of the Manila Pact Foreign Ministers now scheduled for February 23 in Bangkok, and I look forward very much to seeing you there.

With best wishes and assurance of my high regard, I am

Sincerely yours,

JOHN FOSTER DULLES

Eisenhower Library, Eisenhower papers, Whitman file

Memorandum of Discussion at the 229th Meeting of the National Security Council Held on Tuesday, December 21, 1954 [1]

[Extracts] [2]

TOP SECRET EYES ONLY

Present at the 229th Meeting of the National Security Council were the President of the United States, presiding; the Vice President of the United State; the Secretary of State; the Secretary of Defense; the Director, Foreign Operations Administration; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General (for Item 2); the Secretary of Commerce (for Item 4); the Director, Bureau of the Budget; the Chairman, Atomic Energy Commission (for Item 2); Mr. Spear for the Federal Civil Defense Administrator (for Item 2); the Chairman, Council of Economic Advisers (for Item 2); the Director, U.S. Information Agency; General Twining for the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; Robert Cutler, Joseph M. Dodge and Nelson A. Rockefeller, Special Assistants to the President; the White House Staff Secretary; Robert R. Bowie, Department of State; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

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[1] Drafted by Gleason on Dec. 22.

[2] One of the sections omitted is a discussion of NSC 5440, a report entitled "Basic National Security Policy", Dec. 13, 1954. For this discussion, part of which is pertinent to the present compilation, see volume II.

4. *Current U.S. Policy Toward the Far East* (NSC 5429/4;[3] NSC 5429/3; Memos for NSC from Executive Secretary, same subject, dated November 29[4] and December 20, 1954;[5] NSC Actions Nos. 1259[6] and 1275[7])

After Mr. Cutler had completed a short briefing of the Council on the remaining problems in NSC 5429/4, Secretary Dulles remarked that he had not had time, in the short interval since he had returned from Paris, to give this report the requisite consideration. He would prefer, therefore, that the Council not act finally on the report at this meeting. Mr. Cutler nevertheless suggested that there were a number of comparatively undisputed points which the Council might take this occasion to settle.

Mr. Allen Dulles said that he wished guidance with respect to the directive in paragraph 5–c, which called on the United States to refrain from assisting or encouraging the Chinese Nationalists to interfere with the seaborne commerce of Communist China. He was not, he said, suggesting any policy recommendation, but . . . it was desirable for the CIA to be quite clear with respect to U.S. policy on this issue.

The Secretary of State said that he would much prefer that the prohibition against Nationalist interference with Chinese Communist seaborne commerce be deleted. If this prohibition remained in the paper, the U.S. position would become frozen at a time when we needed flexibility. He realized that the absence of this statement did not provide CIA with the guidance it would like to have, but he preferred that such guidance continue, as in the recent past, to be provided to the CIA on a case-by-case basis through the Departments of State and Defense. It was accordingly agreed to delete this language from paragraphs 5–c and 7–d.

Secretary Humphrey commented that assisting the Chinese Nationalists to interfere with Chinese Communist commerce was just the kind of action he had referred to with distaste in the earlier discussion at the meeting. If we don't know where we are going we will get into a lot of trouble, and he saw no reason why the United States should get itself involved in Quemoy.

The President replied to the Secretary of the Treasury that the point at issue had nothing whatever to do with Quemoy. Secretary

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[3] Dated Dec. 10; for extracts, see p. 1035.

[4] Reference is to the covering note to the memorandum from the Joint Chiefs of Staff to the Secretary of Defense, Nov. 26, p. 992.

[5] Reference is to the covering note to the memorandum from the Joint Chiefs of Staff to the Secretary of Defense, Dec. 17, p. 1050.

[6] See the editorial note, p. 958.

[7] See footnote 7, p. 1013.

Humphrey answered that nevertheless the general problem was bound up with our policy toward the offshore islands.

Secretary Dulles then launched on a brief defense of current U.S. policy vis-à-vis the Nationalist-held offshore islands. He again indicated that the State Department had no desire whatever to find itself committed, *de facto*, to defense of these offshore islands against Chinese Communist attack.

Secretary Humphrey replied that if the deletion of the language in paragraph 5-c was merely a temporary expedient while we proceeded to get out of an untenable position respecting the offshore islands and interference with Chinese Communist commerce, he would agree to the deletion of this language; but not otherwise. He repeated once again his view that the United States must not let itself get into positions which it really did not mean to defend. Secretary Dulles said he believed that in the long run our policies would lead to a stabilization of the situation in the Nationalist-held offshore islands. He repeated, however, that he did not now wish to be bound by rigid rules in the light of the recent hostile Chinese Communist words and deeds. He did agree, however, that the deletion of this language would be a temporary expedient.

. . . .

Digressing for a moment from the paper, Secretary Dulles said that with respect to the UN action to stabilize the situation on the offshore islands, the National Government of China had indicated their anxiety lest the special arrangements made in the exchange of notes [8] between the United States Government and the Chinese National Government be made public at this time. If these arrangements were made public now it might be made to seem that the Chinese Nationalists had agreed to accept limitations in order to secure favorable consideration by the UN. Accordingly, said Secretary Dulles, he had arranged with Foreign Secretary Eden, who was anxious to have the notes published, to defer UN action regarding the situation in the offshore islands until (a) the difficult situation respecting the captured American flyers quieted down, or (b) unless the U.S. came to feel, on the basis of a good intelligence estimate, that a major Chinese Communist attack on the offshore islands is in prospect.

Mr. Cutler then invited the Council's attention to paragraph 5-e of the report, on the subject of defending Indonesia against Communist attack or subversion. He noted that this was a very strong statement of policy and contrasted it by reading the statement of policy in the earlier Far Eastern policy paper.

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[8] For text of the Mutual Defense Treaty between the two governments, signed at Washington on Dec. 2, and the notes exchanged at Washington on Dec. 10, see 6 UST 433.

Secretary Dulles said that in his opinion the United States would be well advised to concert with the Australians and the New Zealanders in plans for the protection of Indonesia. Secretary Wilson said that if it was the real policy of the United States to send armed forces to defend Indonesia if this was necessary and appropriate, the Defense Department should see to it that there were forces available which could be promptly deployed to Indonesia if and when they were needed. He supposed, however, that if it was going to be necessary to seek Congressional approval for the dispatch of U.S. forces to Indonesia, there would be ample time to call these forces while Congress was making up its mind. Secretary Wilson indicated that the Defense Department would take a very "good look" at this problem.

Mr. Cutler then turned to paragraph 5-g, and explained that it was designed to make a distinction between the right of a U.S. plane or ship which was attacked outside Communist territory to take action to protect itself from its attackers, on the one hand, and the matter of punitive or retaliatory action which was only to be taken subsequent to the attack with the specific approval of the President. He indicated that the Joint Chiefs of Staff were willing to accept the language in 5-g as satisfactory from the military point of view. Mr. Cutler also explained a slight rewording proposed by the President.

Secretary Dulles indicated a strong desire that the Council reserve action on this paragraph until he had had time to study its implications more carefully.

There ensued a discussion of the nature of "hot pursuit", in which the President made very clear his belief that if a U.S. plane or ship were attacked by the Communists outside of Communist territory, the American aircraft or vessel, together with any other U.S. forces available at the time the attack occurred, had every right to pursue the attackers to their base, even if it was necessary to go to Peiping.

Secretary Dulles said he agreed with this view of the President. The President reiterated that it was the point of time and not the matter of space which was important. Hot pursuit could be undertaken by U.S. forces no matter where they came from, even from the United States itself if they could get there in time. The Communists, however, must be apprehended in the act of attacking.

The Secretary of State again indicated that he would like a little time to consider this paragraph.

Mr. Cutler then asked the Council to give its attention to the more difficult split of opinion in the Planning Board with respect to restrictions on the trade of the free world with Communist China. He explained the split in paragraph 7-c on this subject, and suggested that the study called for in Annex B of NSC 5429/4,[9] respecting policy on trade with the Communist bloc, be undertaken by the newly created Council on Foreign Economic Policy.

Secretary Dulles said that in this case, likewise, he would like the Council to defer action in order to permit him further opportunity to study this problem. The President agreed with this suggestion of the Secretary of State, going on to say that whatever Secretary Dulles decided as to what should be contained in the disputed paragraph was all right with him. To the President, the most important matter was the development of the study referred to in Annex B.

The Vice President said that he was very much impressed with the suggestions made earlier by the Secretary of State, as to the development in areas vulnerable to Communist subversion of constabulary forces of sufficient number and quality to ensure internal security. Would it, accordingly, be out of order to ask for the preparation of a report on what the United States is doing in Indonesia, for example, with regard to programs for ensuring adequate internal security forces in threatened areas? Such a report might indicate, he thought, that the level of such forces should be raised and that the United States should do more to assist the process.

Governor Stassen said that responsibility for the U.S. part in such programs lay with him and with Mr. Allen Dulles, and neither of them felt that the United States was currently doing enough in this field. The President then asked the Director of Central Intelligence to bring in a general picture of the current levels of these internal security forces in the various threatened areas.

Secretary Dulles said that if the Central Intelligence Agency needed more resources to carry on such activities, he was most anxious to be so informed. Mr. Allen Dulles indicated that he had submitted a report to the Director, Bureau of the Budget, on the general subject of coordination between CIA and Defense on such activities as those which the Council had been discussing. He thought he might wish to go over this report once again in the light of the Council discussion.

At the conclusion of the discussion of this item, Mr. Cutler called on Secretary Weeks, who expressed the view that the United States was insufficiently firm in its efforts to induce its allies to maintain the same level of restrictions on trade with Communist China as did the United States itself.

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[9] Annex B of NSC 5429/4 is identical to Annex B of NSC 5429/5, Dec. 22, *infra*.

The National Security Council: [10]

a. Discussed the subject on the basis of the reference report (NSC 5429/4) in the light of the views of the Joint Chiefs of Staff transmitted by the reference memorandum of December 20, 1954.

b. Agreed upon the following changes in the statement of policy contained in NSC 5429/4:

(1) *Paragraphs 5-c and 7-d:* Delete the words "or seaborne commerce with Communist China".

(2) *Paragraph 5-e:* Add at the end: "; concerting overt actions with the other ANZUS nations".

(3) *Paragraph 10-i:* Insert, after "feasible", the words "and productive".

c. Deferred action on paragraph 5-g pending further consideration by the Secretary of State, in consultation with the Secretary of Defense, and report at the meeting of the Council to be held January 5, 1955.

d. Deferred action on paragraph 7-c, other than the "Majority Proposal" in 7-c-(2), pending further consideration by the Secretary of State, in consultation with the Secretary of Commerce, and report at the meeting of the Council to be held January 5, 1955.

e. Requested the Council on Foreign Economic Policy to undertake the study outlined in the "Majority Proposal" in paragraph 7-c-(2) of NSC 5429/4.

Note: The President subsequently approved the statement of policy in NSC 5429/4, as amended by the NSC with the exception of paragraphs 5-g and 7-c which are subject to further consideration as indicated in c and d above. NSC 5429/4, as amended and approved by the President, excepting paragraphs 5-g and 7-c, circulated as NSC 5429/5 for implementation by all appropriate executive departments and agencies of the U.S. Government, subject to review in the light of final decisions on basic national security policy; and referred to the Operations Coordinating Board as the coordinating agency designated by the President. The actions in c and d above subsequently transmitted to the Secretary of State, with copies respectively to the Secretary of Defense and the Secretary of Commerce. The action in e above, as approved by the President, subsequently transmitted to Mr. Dodge for action.

S. EVERETT GLEASON

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[10] Lettered paragraphs a-e below constitute NSC Action No. 1292.

JCS files, 092 Asia (6-25-48)

Note to the National Security Council by the Executive Secretary (Lay)

TOP SECRET [WASHINGTON,] December 22, 1954.
NSC 5429/5

CURRENT U.S. POLICY TOWARD THE FAR EAST

References:

A. NSC 5429/2, NSC 5429/3, NSC 5429/4
B. NSC 166/1
C. NSC 152/3
D. NSC 146/2
E. NSC Action No. 256
F. NSC 125/2 and NSC 125/6
G. NSC 170/1
H. NSC 171/1
I. NSC 5405
J. NSC 5409
K. NSC 5413/1
L. NSC Action No. 1250
M. NSC Action No. 1148
N. Memos for NSC from Executive Secretary, subject, "U.S. Objectives and Courses of Action with Respect to Formosa and the Chinese Nationalist Government", dated September 28 and October 5, 1954 and NSC Action No. 1235
O. NSC Action Nos. 1224 and 1234
P. NSC Action Nos. 1258 and 1259
Q. NSC Action No. 1233
R. NSC Action No. 1275
S. Memos for NSC from Executive Secretary, same subject, dated November 29 and December 20, 1954
T. NSC Action No. 1292

The National Security Council, the Secretary of the Treasury, the Secretary of Commerce, the Director, Bureau of the Budget, at the 229th meeting of the Council on December 21, 1954, discussed the subject in the light of the views of the Joint Chiefs of Staff transmitted by the reference memorandum of December 20. The Council adopted the changes in the statement of policy contained in NSC 5429/4, which are set forth in NSC Action No. 1292-b, and:

> Deferred action on paragraph 5-g pending further consideration by the Secretary of State, in consultation with the Secretary of Defense, and report at the meeting of the Council to be held January 5, 1955. (NSC Action No. 1292-c)

Deferred action on paragraph 7-c, other than the "Majority Proposal" in 7-c(2), pending further consideration by the Secretary of State, in consultation with the Secretary of Commerce, and report at the meeting of the Council to be held January 5, 1955. (NSC Action No. 1292-d)

Requested the Council on Foreign Economic Policy to undertake the study outlined in the "majority proposal" in paragrah 7-c-(2) of NSC 5429/4. (NSC Action No. 1292-e)

The President has this date approved the statement of policy in NSC 5429/4, as amended and adopted by the Council (except paragraphs 5-g and 7-c) and enclosed herewith as NSC 5429/5; directs its implementation by all appropriate executive departments and agencies of the U.S. Government, subject to review in the light of final decisions as to basic national security policy; and designates the Operations Coordinating Board as the coordinating agency.

Accordingly, the enclosed policy supersedes NSC 5429/2; NSC Action No. 1148-b; NSC Action No. 1224-b and NSC Action No. 1234-b; NSC Action No. 1258-c and NSC Action No. 1259-c; Memo for NSC from Executive Secretary, subject, "U.S. Objectives and Courses of Action with Respect to Formosa and the Chinese Nationalist Government", dated September 28, 1954. All other Far Eastern policies (references B-L, where they are inconsistent with the enclosed statement of policy, are modified, pending Planning Board and Council review and revision of these more particular policies. [1]

A Financial Appendix covering the Far East will be prepared for the information of the Council at a later meeting.

JAMES S. LAY, JR.

[Enclosure]

STATEMENT OF POLICY BY THE NATIONAL SECURITY COUNCIL ON CURRENT U.S. POLICY IN THE FAR EAST [2]

GENERAL CONSIDERATIONS

1. The primary problem of U.S. policy in the Far East is to cope with the serious threat to U.S. security interests which has result-

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[1] On Dec. 23 this sentence was revised to read as follows: "The enclosed statement of policy is to guide the implementation of all other existing Far Eastern policies (reference[s] B-L) modifying them where inconsistent, pending Planning Board and Council review and revision of these more particular policies." (Enclosure to note from Lay to all holders of NSC 5429/5, Dec. 23; JCS files, 092 Asia (6-25-48))

[2] All sections of this paper except Annex B are printed in Department of Defense, *United States-Vietnam Relations, 1945-1967*, Book 10, pp. 835-852. Annex B is printed below. Although the text in *United States-Vietnam Relations* is dated Dec. 22,

Continued

ed from the spread of hostile Communist power on the continent of Asia over all of Mainland China, North Korea and, more recently, over the northern part of Viet Nam.

2. In its five years of power, the regime in Communist China has established and consolidated effective control over the mainland and has maintained and developed close working relations with the Soviet Union. While there is now no reason to anticipate an early collapse of the regime nor any means of seeing when one might occur, inherently such regimes have elements of rigidity and instability which sometimes produce crises. We should be ready to exploit any opportunities which might occur as a result of inherent internal weaknesses.

3. The task of the United States in coping with this situation is further complicated by:

a. The vulnerability of the non-Communist countries in the area militarily, and in varying degrees, politically, economically, and psychologically, to further Communist expansionist efforts.

b. The deep-seated national antagonism and differing assessments of national interest which divided these countries from each other and severely hamper efforts to combine their collective resources for their own defense and welfare.

c. The intense nationalistic feelings, fed by residual resentments against European colonialism coupled with a widespread feeling of weakness and inadequacy in the face of the worldwide power struggle, which inhibit many of these countries from cooperating closely with the United States.

d. The divergencies on Far Eastern policy with our European allies, principally with respect to our posture toward China, which limit the extent of political and economic pressures which can be maintained against the Asian Communist regimes without divisive effects on the basic United States-led coalition.

Note: In addition to the foregoing general considerations, attention is directed to NIE 13–54, "Communist China's Power Potential Through 1957," published June 3, 1954, and NIE 10–7–54, "Communist Courses of Action in Asia Through 1957," published November 23, 1954.

OBJECTIVES

4. Pursuant to a policy of being clear and strong in its resolve to defend its vital interests, if necessary at the risk of but without being provocative of war, the principal objectives of the United States in the Far East should be:

1954, it includes, besides revisions to the end of 1954 which are noted here, revisions in paragraphs 5 and 7 which were approved by the National Security Council at its meetings held on Jan. 5 and 13, 1955.

a. Preservation of the territorial and political integrity of the non-Communist countries in the area against further Communist expansion or subversion.

b. Progressive improvement of the relative political, economic and military position of the non-Communist countries vis-à-vis that of the Asian Communist regimes.

c. Reduction of Chinese Communist power and prestige, or securing by reorientation a Government on the mainland of China whose objectives do not conflict with the vital interests of the United States.

d. Disruption of the Sino-Soviet alliance through actions designed to intensify existing and potential areas of conflict or divergence of interest between the USSR and Communist China.

e. Creation in Asia of political and social forces which will zealously spread the greater values of the Free World and simultaneously expose the falsity of the Communist ideological offensive.

COURSES OF ACTION

5. In order to preserve the territorial and political integrity of the area, the United States should:

a. Maintain the security of the Pacific off-shore island chain (Japan, Ryukyus, Formosa and the Pescadores, the Philippines, Australia, and New Zealand) as an element essential to U.S. security; assisting in developing such military strength in each area as is required by U.S. security and is consistent with each area's capability and maintenance of domestic stability.

b. In the event of unprovoked attack on the Republic of Korea, employ, in accordance with Constitutional processes, U.S. armed forces against the aggressor. While supporting the unification of Korea by all peaceful means and maintaining appropriate safeguards against ROK offensive action, continue military and economic assistance programs consistent with U.S. security interests and subject to continued ROK cooperation.

c. Ratify the Mutual Defense Treaty with the Republic of China covering Formosa and the Pescadores, and jointly agree upon appropriate safeguards against Chinese Nationalist offensive action. Pending the ratification of such a Treaty, continue the existing unilateral arrangement to defend Formosa and the Pescadores (excluding the Nationalist held off-shore islands). For the present, seek to preserve, through United Nations action, the status quo of the Nationalist-held off-shore islands; and, without committing U.S. forces except as militarily desirable in the event of Chinese Communist attack on Formosa and the Pescadores, provide to the Chinese Nationalist forces military equipment and training to assist them to defend such off-shore islands, using Formosa as a base. However, refrain from assisting or encouraging offensive actions against Communist China, and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.

d. In the event of Communist overt armed attack in the area covered by the Manila Pact prior to the entering into effect of the Pact, take actions necessary to meet the situation, including a request for authority from Congress to use U.S. armed forces, if appropriate and feasible. When the Pact is in effect, be prepared to oppose any Communist attack in the Treaty area with U.S. armed forces if necessary and feasible, consulting the Congress in advance if the emergency permits.

e. Employ all feasible covert means, and all feasible overt means including, in accordance with constitutional processes, the use of armed force if necessary and appropriate, to prevent Indonesia or vital parts thereof from falling under Communist control by overt armed attack, subversion, economic domination, or other means; concerting overt actions with the other ANZUS nations.

f. In the event of Communist overt armed attack or imminent threat of such attack against any other country in the area (not covered by a security treaty to which the United States is a party), this evidence of a renewal of Communist aggressive purposes would constitute such a grave menace to the United States as to justify the President in requesting authority from Congress to take necessary action to deal with the situation, including the use of U.S. armed forces, if appropriate and feasible.

g. In accordance with NSC Action No. 1292–c, paragraph 5–g awaits further consideration by the Secretary of State in consultation with the Secretary of Defense. Upon report of the Secretary of State thereon to the Council, adoption by the Council of a paragraph 5–g, and its approval by the President, the approved paragraph will be circulated for insertion herein.

h. Encourage the conditions necessary to form as soon as possible and then participate in, a Western Pacific collective defense arrangement including the Philippines, Japan, the Republic of China and the Republic of Korea, eventually linked with the Manila Pact and ANZUS.

i. If requested by a legitimate local government which requires assistance to defeat local Communist subversion or rebellion not constituting armed attack, the United States should view such a situation so gravely that, in addition to giving all possible covert and overt support within the Executive Branch authority, the President should at once consider requesting Congressional authority to take appropriate action, which might if necessary and feasible include the use of U.S. military forces either locally or against the external source of such subversion or rebellion (including Communist China if determined to be the source).

j. Assist where necessary and feasible non-Communist Government and other elements in the Far East to counter Communist subversion and economic domination.

k. Maintain sufficient U.S. forces in the Far East as clear evidence of U.S. intention to contribute its full share of effective collective aid to the nations of the area against the Communist threat, and to provide assurance to the people of the Far East of U.S. intent and determination to support them in the event of Communist aggression.

6. In order to enhance the individual and collective strength of the non-Communist countries, the United States should:

a. Increase efforts to develop the basic stability and strength of non-Communist countries, especially Japan and India, and their capacity and will to resist Communist expansion.

b. Continue (1) to recognize the Government of the Republic of China as the only government of China and its right to represent China in the United Nations, and (2) to furnish direct support to its defense establishment and its economy.

c. Encourage the prompt organization of an economic grouping by the maximum number of free Asian states, including Japan and as many of the Colombo Powers as possible based on self-help and mutual aid, and the participation and support (including substantial financial assistance) of the United States and other appropriate Western countries, through which, by united action, those free Asian states will be enabled more effectively to achieve the economic and social strength needed to maintain their independence.

d. Take all feasible measures to increase the opportunities of such countries for trade with each other and with other Free World countries.

e. Provide in South and Southeast Asia, through the economic grouping referred to in c above or otherwise, such economic and technical aid over an extended period as can be used effectively to accelerate the present slow rates of economic growth, and to give to the peoples in these areas a sense of present progress and future hope, which is currently lacking.

f. Develop and make more effective information, cultural, education and exchange programs; and expand the program for training of free Asian leaders.

g. Encourage the countries of the area to use qualified Americans as advisers and develop a program for training such persons.

h. Seek, by intensifying covert and psychological activities, and by utilizing indigenous persons to the greatest extent feasible, to (1) increase the understanding and orientation of Asian peoples toward the Free World and (2) expose the menace of Chinese imperialism and world Communism.

i. Encourage and support, more vigorously and effectively, the application of private capital to the development needs of free Asian countries under arrangements avoiding "exploitation" yet acceptable to private interests.

7. In order to weaken or retard the growth of the power and influence of the Asian Communist regimes, especially Communist China, the United States should:

a. Continue to refuse recognition of the Chinese Communist regime and other Asian Communist regimes, but deal with each on a local basis and with regard to specific subjects where the regime is a party at interest.

b. Continue to oppose seating Communist China in the Security Council, the General Assembly, and other organs of the United Nations.

c. In accordance with NSC Action No. 1292-d, paragraph 7-c awaits further consideration by the Secretary of State, in consultation with the Secretary of Commerce. Upon report of the Secretary of State thereon to the Council, adoption by the Council of a paragraph 7-c, and its approval by the President, the approved paragraph will be circulated for insertion herein.

d. Utilize all feasible overt and covert means, consistent with a policy of not being provocative of war, to create discontent and internal divisions within each of the Communist-dominated areas of the Far East, and to impair their relations with the Soviet Union and with each other, particularly by stimulating Sino-Soviet estrangement, but refrain from assisting or encouraging offensive actions against Communist China or seaborne commerce with Communist China, and restrain the Chinese Nationalists from such actions, except in response to Chinese Communist provocation judged adequate in each case by the President.[3]

e. Continue the policy towards Indochina and Thailand stated in Annex A.[4]

8. a. The United States should attempt to convince the other Free World countries of the soundness of U.S. policies toward Communist China and toward the Republic of China and of the advisability of their adopting similar policies, without, however, imposing such pressures as would be seriously divisive.

b. In its Pacific role, the United States should be less influenced by its European allies than in respect to Atlantic affairs.

9. The United States must keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues.

Annex B[5]

MATTERS TO BE TAKEN INTO ACCOUNT IN A STUDY OF ECONOMIC DEFENSE POLICY APPLICABLE TO TRADE WITH THE COMMUNIST BLOC

This Annex states suggestions, points of view, and other matters to which attention was called during Council and Planning Board discussion of NSC 5429/3, and which, pursuant to the majority proposal for par. 7-c-(4) (p. 12) of the foregoing statement of policy, would be taken into account in a study of economic defense policy applicable to trade with the Communist bloc.

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[3] On Dec. 29 Lay circulated to the NSC a revised page in which the words "or seaborne commerce with Communist China," in paragraph 7-d were deleted. (JCS files, 092 Asia (6-25-48))

[4] Annex A is not printed here; see footnote 2, above.

[5] Annex B was transmitted to the NSC under cover of a memorandum by Lay dated Jan. 20, 1955, to be attached to NSC 5429/5. (JCS files, 092 Asia (6-25-48))

I. Draft prepared by Special Assistant to the President for National Security Affairs of certain principles which the President desired to have studied, based on his comments at the NSC Meeting on December 1, 1954 during the discussion of par. 8–c of NSC 5429/3

1. In trading with Communist China or the European Soviet bloc, the United States and its major allies should operate under the same system of controls; except that the United States may also deny or limit, as appropriate, export of:

a. Such strategic commodities as would contribute significantly to the war potential of the Communist country or Communist bloc, the U.S. unilateral control of which can reasonably be expected, because of U.S. production, supply, or technology, to be effective, in depriving such Communist country or Communist bloc of a significant contribution to the latter's war potential.

b. Other commodities, whether strategic or not, which raise such special political problems as to warrant U.S. export control in the absence of international controls.

2. Whereas the trade controls exercised by the United States and its major allies with respect to Communist China need not at the present time be the same as the trade controls exercised by the United States and its major allies with respect to the European Soviet bloc, the United States and its major allies should move toward a common level of controls on trade with *all* countries of the Soviet bloc which would take into account the differing needs of the USSR and Communist China in further developing the war potential of each.

3. The United States and its major allies should continue to embargo the export to all countries of the Soviet bloc of munitions, scarce metals, heavy fabricating machinery, items representing technological advances, and other items which contribute significantly to the war potential of the country to which exported.

II. Department of Commerce draft proposal for revision of par. 8–c of NSC 5429/3

1. At a time determined by the Secretary of State, with due regard to the issues then pending between Communist China and the free world (such as the unlawful detention of American military personnel), seek agreement with other free world countries of the principle that trade controls (export, import and financial) should be generally uniform for the entire Soviet dominated bloc both in Europe and Asia.

2. In accordance with this principle develop a control program which would include:

a. A common export control list of commodities, services and technical data—less extensive and restrictive than the present ChinCom lists but more extensive than the present COCOM lists—which would be applicable to the entire Soviet dominated bloc and which would reflect consideration of factors such as:

(1) The objective of retarding the growth of war potential, including the war mobilization base, of the entire Soviet bloc including Communist China.

(2) The relative ease of movement or transshipment of goods between the European and Asian Communist areas.

(3) The extent to which Communist China's military and economic development is dependent upon supplies and technical assistance from, and markets in, the USSR.

(4) The probabiiity that failure of the USSR or of China to meet its current and future commitments to the other for goods or services could become a significant cause of Sino-Soviet friction.

b. An agreement from our allies that in trade with the Soviet dominated bloc in nonembargoed commodities there should be no extension of long term credits by the free world to the Soviet dominated bloc.

c. An agreement that, prior to making effective any modification of free world trade controls towards China, the U.S. and other governments would explore the possibility of obtaining in return some concessions from Communist China on issues then pending between Communist China and the free world.

3. In order to achieve this program the United States should:

a. Undertake a major diplomatic effort and in that diplomatic effort use such leverage and bargaining power as is available in U.S. economic assistance programs, offshore procurement, adjustments in the Buy American Act, etc.

b. Make clear to our allies, that U.S. concurrence in an adjustment of trade controls towards Communist China is conditioned upon their acceptance of the general approach set forth in paragraphs 1 and 2 above.

4. Upon the adoption of this program, the United States embargo on imports and exports to Communist China should be lifted and controls should be adjusted in accordance with the principle that in trading with Communist China or the European Soviet bloc, the United States and its major allies should operate under the same system of controls; except that the United States may also deny or limit, as appropriate, export of:

a. Such strategic commodities as would contribute significantly to the war potential of the Communist country or Communist bloc, the U.S. unilateral control of which can reasonably be expected, because of U.S. production, supply, or technology, to be effective in depriving such Communist country or Communist bloc of a significant contribution to the latter's war potential.

b. Other commodities, whether strategic or not, which raise such special political problems as to warrant U.S. export control in the absence of international controls.

III. Related Intelligence Estimates

A. NIE 100-5-54, "Consequences of Various Possible Courses of Action with Respect to Non-Communist Control over Trade with Communist China", in process. This report will include the Intelligence Estimate called for by NSC Action No. 1283-b, 228th NSC Meeting, December 9, 1954:

> "b. Noted the President's desire that a Special National Intelligence Estimate be prepared, as a matter of urgency, analyzing the net effect on Japan and on North China and Manchuria of an increased flow of consumer goods from Japan to Communist China in return for products from Communist China required by the Japanese economy."

B. SNIE 100-6-54, "World Reactions to Certain Possible U.S. Courses of Actions Against Communist China," November 28, 1954.

C. NIE 13-54, "Communist China's Power Potential Through 1957," June 3, 1954

D. NIE 10-7-54, "Communist Courses of Action in Asia Through 1957," November 23, 1954

IV. MDAC Comment on Intelligence Support

Any attempt to apply COCOM controls to additional commodities will require extensive intelligence support. This support is prepared on an *ad hoc* basis, and is far more detailed than the material included in the national intelligence estimates. Specifically, in each case where we try to get back on the COCOM lists a commodity which has been dropped, the intelligence community will have to take the argument used earlier this year and attempt to strengthen our basis for negotiation.

V. FOA draft proposal for revision of par. 8-c of NSC 5429/3

1. At a time determined by the Secretary of State, if feasible after a study is completed, begin consultations, particularly with the UK and France, looking toward agreement with the other cooperating industrialized countries of the free world on the extent, nature, and method of controls on trade with Communist China.

2. The United States objective in these negotiations is:

> a. To establish a similar level of control vis-à-vis the entire Communist dominated bloc including Communist China, the Soviet Union, and Eastern European satellites, with only such variations as may reflect peculiar circumstances in individual countries which could not easily be met by transshipment within the Communist area.

b. To bring United States levels of controls to the same level as the controls maintained by other cooperating free world countries with only such variations of greater U.S. controls in those cases where U.S. sources alone can be effective in denying strategic matériel or technology to the Communist area.

3. In the negotiations for the adjusted level of controls on trade with Communist China, seek at the same time to obtain agreement with other free world countries to increase the control on the Soviet Union and European Communist bloc on those items for which further intelligence information or further review indicate a net advantage in free world denial, particularly where such denial might achieve a divisive effect between Communist China and the Soviet Union.

4. Place particularly high priority on the maintenance of controls on those items which affect the mass production of modern arms and weapons, such as aircraft, guided missiles, nuclear weapons and on communication and radar devices for conducting and countering atomic warfare at long range.

VI. Views of the Joint Chiefs of Staff (Memo for NSC from Executive Secretary, "Current U.S. Policy Toward the Far East", November 29, 1954)

From a strictly military point of view, a trade control program which would impose maximum restrictions on trade with the Soviet Bloc and particularly with Communist China, would be most desirable. The Joint Chiefs of Staff recognize that the feasibility of certain courses of action designed to impose such maximum restrictions is uncertain in view of existing free world trade agreements and other economic and political considerations. However, more positive measures are necessary in the implementation of basic national security policy, because the timely achievement of the broad objective of such policy cannot be brought about if the U.S. is required to defer to the counsel of the most cautious among our Allies or if it is unwilling to undertake certain risks inherent in the adoption of dynamic and positive security measures.

890.00/12–2254

Memorandum by the Assistant Secretary of State for Economic Affairs (Waugh) to the Secretary of State [1]

[WASHINGTON,] December 22, 1954.

Subject: British *Aide-Mémoire* on Aid to Asia.

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[1] Also addressed to Hoover. A marginal notation indicates the memorandum was seen by the Secretary.

Friday, December 17, Lord Harcourt [2] left the attached (Tab B) [3] *aide-mémoire* containing the "preliminary and tentative" views of the British respecting economic aid to Asian countries. For your convenience, I had a brief summary of the *aide-mémoire* prepared; it is attached (Tab A).

Lord Harcourt, at the time of delivery of this paper, expressed the hope that the Ambassador and he might meet with you to discuss the points raised. Naturally, they will wish to know where we stand in our thinking on this subject. When our own work on the subject of aid to Asia has proceeded somewhat further, I believe it would be desirable to see the British on this matter.

I have seen to it that all other principal officers of the Government have received copies of the *aide-mémoire.*

[Tab A]

SUMMARY OF AIDE-MÉMOIRE FROM U.K.

The *aide-mémoire* summarized below was prepared in response to Mr. Stassen's invitation to the U.K. Government to make available to the U.S. Administration any ideas they may have on the planning of future economic assistance to the countries of South East Asia and the Far East.

1. The U.K. Government believes that the countries of the area will need governmental economic and technical aid from abroad for a long time to come. Private capital cannot be expected to be attracted in anything like sufficient volume. It is of far-reaching political as well as economic importance that further aid be made available, and that the aid come from the West rather than from the Communist world.

2. The U.K. Government believes that:

(a) The proposals of the West must be generous enough and on a sufficient scale to catch the imagination of the Asians and convince them of our sincerity. They must cover a period of years so that the Asian governments may have confidence in the future and may plan ahead. However, hopes should not be raised that cannot be fulfilled.

(b) No steps must be taken that do not have the whole-hearted support of the Asians themselves.

(c) The arrangements proposed must provide for direct bilateral negotiations between contributors and recipients and the contributors should retain control over the time and manner of the assistance they give.

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[2] Viscount Harcourt, Economic Minister at the British Embassy.

[3] Dated Dec. 15, not printed.

3. The U.K. Government suggests that:

(a) Proposals would be most likely to be successful if they were backed by a substantial amount in dollars or sterling, and available to be drawn on over a period of years. These monies would not be paid over from the start, but would represent the sum total of the commitments which the contributory governments were prepared to enter into over a period of say three or four years under a series of coordinated bilateral credit arrangements.

(b) The bulk of the aid would have to come from the U.S. Government. The possibility of further contributions from the U.K. would have to be considered against the background of the U.K.'s already heavy liabilities and commitments in the area.

(c) The division of aid between short-term and long-term purposes would be for consideration later. However, the U.K. Government hopes that contributing governments would *not* tie their contributions to purchases in their own countries but would make them freely convertible into other currencies as needed.

(d) Drawing on the fund would be by direct approach from one government to another, in bilateral negotiation. However, it would be useful to have a common staff for technical examination of applications, the staff to be drawn largely from western countries but including Asian representatives as well. Its functions would be advisory and its use by governments would be optional.

(e) Aid might be in the form of loans, including soft loans, or even grants.

(f) There is no scope for any mechanism on the lines of the European Payments Union.

(g) While surplus agricultural commodities can be of assistance to the area, their use would have to be supplemented by substantial aid in the form of free dollars.

4. With regard to the Colombo Plan organization, there would be advantage to grafting the new ideas and organization on to the Colombo Plan framework. Nevertheless, the Colombo Plan has at the present time a considerable political as well as economic importance, as the only organization in which all the countries of the area are joined with Western Powers as free and equal partners; the British would not therefore wish to lend themselves to proposals which might be taken by Asian opinion as departing from the Colombo Plan ideas, or to do anything which would in any way endanger the continued functioning of the Colombo Plan organization. On this aspect of the matter, they would wish to be guided almost entirely by the views of the Asian countries themselves, and hope that the views of the U.S. Government will not be crystallized until these are known.

Secretary's Memoranda of Conversation, lot 64 D 199

United States Minutes of Meeting of the Manila Pact Working Group [1]

CONFIDENTIAL [WASHINGTON,] December 28, 1954—2:30 p. m.

Participants: *United States*
C—Mr. MacArthur
EE—Mr. Sebald
Defense—Mr. Sullivan
PSA—Mr. Young
PSA—Mr. Bell
BNA—Mr. Horsey
SOA—Mr. Collins
C—Mr. Galloway

Australia—Sir Percy Spender
France—M. Pierre Millet
New Zealand—Ambassador Munro
Pakistan—Ambassador Syed Amjad Ali
Philippines—Minister S. P. Lopez
Thailand—Ambassador Sarasin
United Kingdom—Sir Robert Scott

Public Announcement of Bangkok Meeting

Mr. MacArthur opened the meeting commenting that all the Manila Treaty governments had agreed to a simultaneous public announcement of the Bangkok Meeting at 10:00 A.M. on Monday, January 3.

Discussion of Military Advisers Paper, MP(IWG)D-2 [2]

Mr. MacArthur commented that the phrase "short of a general emergency" in paragraph 3-d was misleading. This phrase had been included to indicate in a geographic sense that military planning under the Treaty should be related to the treaty area and should not deal with emergencies arising outside the area. He suggested a rephrasing to make this clear. The rewording was agreeable to all representatives and incorporated in a redraft of the paper, MP(IWG)D-2 a. [3]

Sir Percy Spender stated that although he had no specific objection on this point he feared there might be a tendency to compartmentize and isolate Manila planning from global planning. He reminded the group that during World War II military operations in Asia had been severely affected by events elsewhere (European demands on resources, etc.) and suggested that the Manila Treaty planners should be able to consider their problems against the background of over-all planning. Messrs. Sullivan and MacArthur pointed out that the military advisers of countries with responsibilities outside the treaty area would have these responsibilities in mind when planning under the Manila Treaty. However, there were so many imponderables involved in over-all planning that the Manila advisers would have to proceed on certain assumptions and limit themselves to treaty area planning. Moreover, the first stage of estimating the threat and drawing up requirements would represent an immense task which would have to be completed before considering questions of availabilities and commitments. Sir Percy said he would be satisfied on this point if the military advisers were not to be precluded from considering the effects of outside events (such as a general emergency) on the treaty area. Mr. Sullivan agreed this would be possible.

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[1] Drafted on Jan. 2, 1955 by Gleysteen who is not listed among the participants.
[2] See footnote 3, p. 1049.
[3] Not found in Department of State files.

The Philippine representative commented that his government would like to strengthen the military organization under the Manila Treaty and suggested establishment of a permanent military committee to perform tasks similar to these outlined in the U.S. paper. He stressed the importance of creating genuine strength in Southeast Asia and mentioned in addition the Philippine desire to have an organization which would give more "appearance" of strength than that envisaged by the U.S. Finally, the Philippines believed that anti-subversive activities could not be separated from military planning and believed the military advisers should be able to consider this question.

The U.S. representatives explained the importance of creating genuine strength in the Manila Treaty area was reflected in the U.S. proposal that military advisers be high ranking officers assisted where necessary by planners drawn from existing national staffs. The U.S. envisaged the paper under discussion as a flexible directive from the Foreign Ministers to the military advisers which would permit the latter to get on with military planning and to recommend their own organizational arrangements. Messrs. MacArthur and Sullivan opposed the Philippine suggestion for a permanent military committee because the U.S. did not wish to specify in advance how the tasks of the military advisers were to be performed. Other representatives supported this position and pointed out that the Philippines would be free to make similar recommendations during the organizational meetings of the military advisers themselves. Minister Lopez appeared satisfied with this understanding.

Commenting on Minister Lopez's last suggestion, Mr. MacArthur agreed that anti-subversive activities could not be divorced entirely from military planning. He explained that one type of subversive activity was open insurrection and that military forces could legitimately be used both to deter and control such activity. However, the second type of subversion was covert boring from within and would have to be handled by a different mechanism. Mr. MacArthur reminded the representatives that the U.S. would very shortly be presenting a paper on this subject to the Working Group. This concluded discussion of the paper on military advisers which was set aside pending the final review process of the Working Group.

Preliminary Discussion of Agenda for Foreign Ministers Meeting MP(IWG)D-3/1 [4]

A suggested agenda for the Foreign Ministers at Bangkok was distributed by the U.S. After a very brief discussion the U.S. agreed to circulate a revised paper changing the order of the agenda items to provide that organizational discussions would take place following a general exchange of views on matters affecting the security of the treaty area.

While agreeing that Indochina should not be specifically mentioned on the Agenda, the U.K. Representative remarked that all the Ministers would have to have this question on their minds and that it would probably be necessary to discuss Indochina as it affected the security of the treaty area. Sir Robert pointed out, however, that such discussions should not touch on internal affairs in the Associated States or on activities in contravention of the Geneva Agreements.

Economic Discussions Under the Manila Treaty

Ambassador Ali asked if the U.S. intended to submit a paper on economic questions relating to the Manila Treaty. Mr. MacArthur replied that the U.S. was not planning to submit such a paper but would be quite willing to discuss economic questions in the Working Group. He mentioned that the U.S. was working intensively at a high level on Asian economic problems and, although the study was not concluded, he hoped that Secretary Dulles would be able to outline in some detail the U.S. approach to Asian economic problems during the Bangkok meeting. Mr. MacArthur reiterated the U.S. view that Asian economic problems embraced an area extending beyond the Manila Treaty members and that consequently there should not be a separate economic organization established under the Manila Pact. He also said the U.S. did not wish to interfere with or duplicate the activities of existing economic organizations, such as the Colombo Plan, etc. The Pakistan representative stated that he felt it essential that the Working Group discuss this question since it was on the agenda at Bangkok. With the agreement of the Working Group he proposed to outline his government's views on this matter during the third week in January. The Philippine and Australian representatives evinced great interest in such a discussion.

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[4] Not found in Department of State files.

Date of Next Working Group Meeting

The Working Group was adjourned until 2:30 P.M. Thursday, January 6, in Room 5106 New State.

S/P-NSC files, lot 62 D 1, NSC 5429 Series

Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State

TOP SECRET [WASHINGTON,] December 30, 1954.

Subject: NSC 5429/5, Paragraph 9

I was disturbed to find that NSC 5429/5 contains the following paragraph despite the repeated written protests of FE, which sought to have this paragraph deleted or at least satisfactorily amended:

> "9. The United States must keep open the possibility of negotiating with the USSR and Communist China acceptable and enforceable agreements, whether limited to individual issues now outstanding or involving a general settlement of major issues."

The history of FE's objections to the language of this paragraph goes back to October 21, when FE commented adversely in a memorandum from Deputy Assistant Secretary Drumright to Mr. Bowie on virtually identical language used in paragraph 23 of the "Summary Statement of Existing Basic National Security Policy".[1] In my memorandum to Mr. Bowie of November 9,[2] FE again called attention to this language, which was contained in paragraph 42 b of NSC 162/2 on "Basic National Security Policy", as well as paragraph 23 of the Summary Statement cited above. Despite FE's objections to this paragraph in the Basic National Security Policy paper, the same language was incorporated into NSC 5429/3 of November 19.

In my memorandum to you of November 30[3] on NSC 5429/3, a copy of which was sent to S/P for concurrence, FE's objections to this language, now contained in paragraph 10 a of NSC 5429/3, were again set forth. It was recommended as a minimum that the words "Communist China" be deleted from the paragraph and that it would be preferable if the whole paragraph were eliminated. Nevertheless, the same paragraph was included in NSC 5429/4 of December 10. In my memorandum to you of December 20 [4] on NSC 5429/4, a copy of which was sent to S/P for concurrence, FE again stated its objections to this paragraph (now numbered 9) and again recommended the deletion of the words "Communist China", if the entire paragraph could not be eliminated.

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[1] Dated Oct. 11; see volume II.

[2] Not printed.

[3] *Ante*, p. 996.

Despite the long record of FE's objection to the language of this paragraph, it was again included in NSC 5429/5 (Current U.S. Policy Toward the Far East). Your briefing meeting on this paper, attended by Mr. McConaughy in my absence, was interrupted before there could be a discussion of the paragraph in question. Mr. Bowie tells me that FE's objection to the paragraph was noted on the copy which you carried to the NSC meeting and he assumed that you would note it in your discussion of the paper. I understand from you that you gave no consideration to this particular paragraph.

As matters now stand the language of paragraph 9 is not only inconsistent with paragraphs 47 and 48 of NSC 5440/1 (Basic National Security Policy), [5] but even with paragraph 7 a of NSC 5429/5 (Current U.S. Policy Toward the Far East) itself. I urge, therefore, that steps be taken either to eliminate this paragraph altogether or revise it omitting the phrase "and Communist China" so as to bring it into consonance with paragraph 47 and 48 of Basic National Security Policy (NSC 5440/1).

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[4] *Ante*, p. 1053.

[5] Dated Dec. 28, 1954. For documentation concerning the NSC 5440 Series, see volume II.

FE files, lot 55 D 480

Draft Position Paper Prepared in the Department of State [1]

SECRET [WASHINGTON,] December 30, 1954.

FUTURE UNITED STATES ECONOMIC ASSISTANCE FOR ASIA

PROPOSED STATE DEPARTMENT POSITION

I. The Problem:

To provide basic principles and an official position to guide the representative of the Department of State on the NSC *ad hoc* interdepartmental committee to consider future United States economic policy for the free countries of Asia.

II. Objectives:

In order to minimize the danger of increased Communist influence or domination of the free countries of Asia, including Japan, the United States security interests require the achievement of greater economic strength in the region. This requires the reassessment of the size and character of the United States assistance programs in the area. Since the United States possesses a limited capacity to provide economic assistance, certain guiding principles are imperative to the attainment of optimum results.

The long-term objectives of this program should be to assist in making Asia self-supporting at such levels as will help these countries to effectively counter Communist activity. The short-term objectives should be addressed to the stimulation of forces which will contribute to the realization of the long-term objectives.

III. Principles:

The programs and actions adopted for the attainment of the above objectives should be governed by the following principles:

A. *General Principles*

(1) The primary purpose of the program is to combat Communism, and other considerations, where they arise, should be regarded as secondary.

(2) Future United States economic assistance to Asia should be regarded as only one part of the development of an over-all world program to strengthen the forces of freedom against future Communist advances. This program consists of four basic elements—

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[1] The source text bears a marginal notation which indicates that it was seen by Robertson. An attached note, dated Dec. 30, by Richard R. Selby of the Policy and Reports Staff indicates that the position paper was to be discussed on Jan. 3, 1955, at a meeting to be attended by Dulles, Hoover, Murphy, MacArthur, Merchant, Robertson, Allen, Jernegan, Holland, Bowie, Waugh, Morton, Nolting, and Scott.

The source text bears extensive handwritten emendations and revisions, which are not printed.

economic, military, psychological, and counter-subversive, all of which must be interrelated.

(3) Each Asian country in fact constitutes a separate and unique economic, political and social problem, although for purposes of analysis they may be grouped into four categories:

(a) Korea, Formosa and Indochina
(b) Japan
(c) Philippines
(d) Indonesia, Thailand, Malaya, Burma, Ceylon, India, Pakistan, and Afghanistan.

In view of the vast differences which exist between each of these groups, the economic policy of the United States should be directed toward an individual treatment of each country or group of countries, on a bilateral basis in accordance with its circumstances, but subject to certain generalized principles which are set forth herein.

(4) Individual countries should be assisted wherever possible with a view to achieving a maximum long-range effect on the area as a whole. Short-range programs or specific projects should be minimized where they appear to run counter to the ultimate objectives which are being sought.

(5) Special consideration should be given to the problem of Japan and the role its industrial and financial resources enable it to play.

(6) Efforts to retain the Asian countries as a part of the free world will be facilitated by the ability of their non-communist governments to sustain a hope on the part of their peoples that their economic and social condition will be progressively improved. In stimulating these hopes, it should be clearly demonstrated that the primary responsibility for success must fall on the effective efforts of each country individually, and that the United States cannot undertake sole responsibility for the economic development of the region. It should be further recognized that such a program will require considerable time, and that the building up of unattainable aspiration could do more harm than good.

B. *Principles with respect to magnitude**

(1) United States assistance should be applied to priority needs in the countries of critical importance within the area and not based on the concept of spreading a predetermined amount of money over the region as a whole.

(2) In the development of policies and programs the sustained economic capabilities of the United States over a period of years should be kept in mind.

C. *Principles with respect to Administration of Aid*

(1) To the maximum extent feasible United States development aid should be made available on a repayment basis.

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*See Table I attached for appropriations covering past three years. [Footnote in the source text. Table I is not printed.]

(2) The United States should retain full control of the funds disbursed including the use to be made of repayments in local currency.

(3) Every reasonable effort should be made to encourage and support, more vigorously and effectively, the application of private capital to the development needs of free Asian countries.

IV. Courses of Action

The following courses of action are designed to implement the principles and objectives set forth above:

(1) The Consultative Committee under the Colombo Plan should be strengthened. This might be done through the establishment of a permanent secretariat whose function would be to develop means for the expansion of healthy intraregional cooperation, trade and development. The United States should contribute a reasonable amount to help defray the expenses of this organization if it should become appropriate to do so.

(2) The United States should take steps to ensure that the initiative for such expansion of the Colombo Plan should come from the Asian countries which constitute the bulk of the membership in the organization.

(3) The United States should not encourage and should not participate in the creation of any new multilateral banking or credit institution within this region at the present time.

(4) The United States should lend its support to the increase of opportunities of countries in this area to trade with each other and with other free world countries: (a) by appropriate measures for membership in the GATT organization; (b) bilateral approaches to countries which maintain restrictions that hamper such trade; and (c) encouragement of removal of such serious restrictions as may exist in the use of sterling by these countries.

(5) The United States markets for the products of these countries should be expanded and the existing restrictions reduced to the extent it is found feasible.

(6) *Japan*

(a) In order to obtain the maximum contribution from Japan and thus reduce the financial burden on the United States every effort should be made to increase the trading and financial capabilities of that country with other free nations of Asia and by expanding her overseas markets. To this end the United States should consider the appropriate extension of public credit, the expansion of commercial credit for stimulating exports, the improvement of conditions within Japan for private capital, the use of technical assistance, the use of local currency proceeds of agricultural surpluses and the widening opportunities for the investment of Japanese capital.

(b) The United States should proceed to consummate the contemplated trade agreement with Japan.

(c) The good offices of the United States should be employed to restore as rapidly as possible better relationships between Japan and the other countries with which she was at war—

Philippines, Indochina, Burma, Malayan States, Australia, New Zealand, and Indonesia.

(7) The United States should extend the following types of aid and should consider the interrelationship among these types:

(a) Outright grant aid for direct forces support, defense support and budgetary purposes will have to be extended to those countries which are maintaining armed forces in cooperation with the United States beyond their economic capabilities.

(b) Aid which is extended to such countries for developmental purposes should be clearly distinguished from the military assistance referred to above, and such aid should be placed on a repayable basis including repayment in local currencies. It is realized that in certain instances, such as Korea, this may not be feasible.

(c) Technical assistance programs should be continued after a review of their effectiveness in each instance, and wherever possible they should be placed on a matching funds basis.

(d) With respect to those countries pursuing "neutralistic" policies the United States should review its developmental or technical assistance to such countries to the end that such aid as may be extended shall support the objectives set forth above.

(8) The United States must give consideration to the impact of the policies and programs adopted hereunder as they may affect our relations with the other less developed areas of the world. Such consideration shall encompass (1) full publicity as to the reasons for our extension of aid to the free Asian countries, and (2) review of United States economic policies towards the other less developed areas with a view to making these policies as consistent as possible throughout the world.

(9) *Magnitude*†

United States overall assistance in the Asian area for the fiscal year 1956 shall be at substantially the same level as in the past year. Such a program is within the financial and economic capabilities of the United States and can be supported for a significant period of time if the results prove that the objectives are being achieved.

V. Precautions

In undertaking discussions with respect to any new arrangements certain precautions should be observed.

(1) The limited capacities of the United States to provide wholesale aid to a region as vast as Asia and the limited capacity of the Asian states to immediately use aid provided militate against any massive United States aid program for Asia at the present time.

(2) The United States should make clear that its financial contributions to Asian development should be in realistic and reasonable amounts.

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† See Table I attached. [Footnote in the source text.]

(3) The United States cannot and should not assume sole responsibility for the economic development of the region.

(4) The United States should not promise continuing financial contributions in connection with any arrangements which might be made, although our continuing interest in the economic development of the area should be made clear.

(5) Public pronouncements of the United States program should be consistent with anticipated results and should be carefully framed in order to avoid leading the free peoples of Asia to expect more than can be accomplished by a given program.

670.901/12-3154: Circular telegram

The Secretary of State to Certain Diplomatic and Consular Offices [1]

SECRET WASHINGTON, December 31, 1954—4:10 p.m.

340. For Chief of Mission. With reference to Colombo Powers communiqué [2] and Afro-Asian Conference, [3] Secretary at press conference Dec 31 pointed out conference does not directly concern US which not Afro-Asian nation and of course not invited. Conference and question of who should attend is primarily concern of other countries rather than US. When asked whether there conflict between attendance proposed meeting and membership Manila Pact, Secretary said purposes of conference not clear to him after reading communiqué and he could not yet express opinion. Supposed that would be question to be judged by Asian members Manila Pact.

Department seriously concerned eventual implications and most interested to avoid damaging effects this conference. In formulating US position Department aware of danger that Chinese Communists would utilize conference as sounding board for propaganda and might succeed in creating appearance of unity between Communist and non-Communist Asian and African states and appearance of division between Asian and African non-Communist states and West. Department also aware Chinese Communists will be carefully prepared and that Chou En Lai has formidable capacity for dominating conference and utilizing others for own ends. On other hand Department appreciates considerations set forth Delhi's 891[4] to Dept and aware of dangers involved in US attempting exert pressure on friendly states decline invitation because of possibility these states being branded US puppets or failure succeed keeping them away. Such course of action would also invite difficulties in US relations Colombo Powers as Conference sponsors.

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[1] Sent to Bangkok, Hanoi, Phnom Penh, Saigon, Vientiane, Manila, Tokyo, Kabul, Addis Ababa, Amman, Ankara, Baghdad, Beirut, Cairo, Damascus, Jidda, Tehran, Monrovia, Accra, Khartoum, and Salisbury. Repeated for information to Colombo, Djakarta, Karachi, New Delhi, Rangoon, Seoul, Taipei, Canberra, Wellington, London, Paris (separately to USRO), and Hong Kong. Drafted by Sebald and cleared in C, G, S/P, and NEA as well as in FE.

[2] Issued in Djakarta on Dec. 29 at the close of a 2-day meeting of the Prime Ministers of Burma, Ceylon, India, Indonesia, and Pakistan. Full text is printed in the *New York Times*, Dec. 30, 1954.

[3] In the communiqué cited in footnote 2 above, the signatories had outlined plans for a conference of Asian and African powers to be held in Indonesia in April 1955, and had announced that 25 additional countries would be invited.

In formulating US position it will be helpful have as soon as possible your views (without explicitly questioning local government) as to (a) attitude of country to which you accredited towards attendance (b) likelihood that country could be persuaded decline invitation (c) degree to which country could be expected cooperate in combatting Communist efforts if it did attend and (d) would country delegation provide competent leadership.

In answering press inquiries as to US position regarding conference you should for time being follow noncommittal line adopted by Secretary. If questioned by representative of government to which you accredited you should say US is studying implications of proposed conference and would be greatly interested in views of friendly countries.

DULLES

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[4] In this telegram, dated Dec. 30, the Embassy had outlined considerations which it believed would cause any boycott of the conference by powers friendly to the United States to work against U.S. interests. (670.901/12-3054)

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